

# MINUTES

of the

## COUNCIL OF THE COUNTY OF MAUI

May 20, 2016

THE REGULAR MEETING OF THE COUNCIL OF THE COUNTY OF MAUI, STATE OF HAWAII, WAS HELD IN THE COUNCIL CHAMBER, KALANA O MAUI BUILDING, WAILUKU, HAWAII, ON FRIDAY, MAY 20, 2016, BEGINNING AT 10:03 A.M., WITH CHAIR MICHAEL B. WHITE PRESIDING.

CHAIR WHITE: This meeting of the Council of the County of Maui will please come to order.

Mr. Clerk, will you please call the roll.

### ROLL CALL

PRESENT: COUNCILMEMBERS GLADYS C. BAISA, ROBERT CARROLL, ELEANORA COCHRAN, DONALD G. COUCH JR., S. STACY CRIVELLO, G. RIKI HOKAMA, MICHAEL P. VICTORINO, VICE-CHAIR DONALD S. GUZMAN, AND CHAIR MICHAEL B. WHITE.

EXCUSED: NONE.

COUNTY CLERK DENNIS A. MATEO: Mr. Chair, there's nine Members present. A quorum is present to conduct the business of the Council.

CHAIR WHITE: Thank you, Mr. Clerk.

And for this morning's opening remarks, we have Mr. Riki Hokama.

### OPENING REMARKS

The opening remarks were offered by Councilmember Riki Hokama.

CHAIR WHITE: Thank you, Mr. Hokama.

Will you all please rise and join me in the Pledge of Allegiance.

### PLEDGE OF ALLEGIANCE

The Members of the Council, and others in attendance, rose and recited the Pledge of Allegiance.

CHAIR WHITE: Thank you. And Mr. Clerk, we have some issues with the communication. So, I think we'll, trying to restore communication. I believe we have a, a testifier in Hana. This is providing nothing but static at this point. So, if we can, we'll proceed with testimony in the chambers while we, I'd like to turn this off, turn it off until we can restore.

Just call back Hana and let the other districts know that if they have somebody come in to testify, to please notify staff. Why don't we start with the first testifier and we'll try to connect with Hana in the meantime. And, we'll take the Hana testifier next after the one in the chamber.

COUNTY CLERK: Mr. Chair, we'll be proceeding with the presentation of testimony on agenda items. We have established limited telephone interactive communication that enables individuals from Hana, Lanai, and Molokai, to provide testimony in our District Offices.

Individuals there who wish to offer testimony should now sign up with the District Office staff. Individuals who wish to offer testimony in the chamber, please sign up at the desk located at, on the eighth floor lobby just outside the chamber door. Testimony at all locations is limited to the items listed on today's agenda.

And pursuant to the Rules of the Council, each testifier is allowed to testify for up to three minutes with one minute to conclude if requested. And when testifying, please state your name and the name of any organization you represent.

Hana Office, is it.

CHAIR WHITE: I don't think it.

COUNTY CLERK: Did you connect, excuse me.

CHAIR WHITE: No, take, go ahead and start with testifiers in the chamber and we'll connect with Hana at some point.

COUNTY CLERK: Thank you. Mr. Chair, we have six individuals in the chamber who have signed up to provide testimony. The first individual is Randy Perreira, Executive Director, HGEA, testifying on Committee Report 16-82, to be followed by Rosemary Robbins.

### PRESENTATION OF WRITTEN OR ORAL TESTIMONY

MR. RANDY PERREIRA, HGEA (testifying on Committee Report 16-82):

Good morning, Chair, Members. I'm Randy Perreira, Executive Director of the HGEA.

CHAIR WHITE: Good morning.

MR. PERREIRA: And, I thank you very much for having me. We are here to testify in strong support of the operating budget proposed before you, and in particular, the funding for the initial contract for the newly created Bargaining Unit 14, which for Maui County includes Ocean Safety, what we commonly would characterize as lifeguard employees.

This is a particularly important issue for us, because as I mentioned it is a first contract for this Bargaining Unit where we have attempted to create a compensation package through the arbitration process to ensure that these individuals who perform first responder services for the County are provided a compensation package commensurate with the skills that they bring to the job, as well as the risks that they face.

And, while we recognize that the Council in previous deliberations has identified a number of legitimate concerns about the bargaining process, we do appreciate the fact that weighing all of that, the Budget Committee has determined to put into the operating budget, the appropriate funding for this important contract.

And certainly, I'm not going to make you endure my reading of the testimony. I'm certainly here, though, for any questions that you, Mr. Chair, or the Councilmembers may have.

CHAIR WHITE: Thank you, Mr. Perreira.

Members, any questions for the testifier?

COUNCILMEMBER HOKAMA: Chair.

CHAIR WHITE: Mr. Hokama.

COUNCILMEMBER HOKAMA: Mr. Perreira, we, we thank you very much for making a personal appearance before this Council this morning. One of the things that I'm sure you, you've heard from various employer representatives is the imbalance of the State votes versus the County employers votes for contract ratification, and moving forward to the appropriate final decision by whether it's your membership for ratification of contract or the Council's as far as ratifying the payment of those contracts.

Do you still believe that at this point in time, statewide collective bargaining is, still has its place for public employees? Or do you see us going our independent own ways?

MR. PERREIRA: I do believe that there are pros and cons to a statewide collective bargaining process. And, you know, certainly could elaborate for a while, I suppose, in that conversation. I would strongly urge that if the Council, if this Council and other counties were looking at the possibility of seeking a statutory change that would separate the jurisdictions into different bargaining groups, that you similarly weigh the pros and cons, because most certainly there are advantages in some instances. But, at the same time, I think, as this Council has noted in, in your prior discussions, some disadvantages to being lumped together with other jurisdictions.

I'm not, I don't want to characterize myself as ambivalent about the subject, but I have long felt that it's inevitable and may be appropriate that at the Legislature this debate be had, given where our State is today. And, I, in doing so, perhaps then the employers, cause it's really more an employer question, the employers can kind of debate and determine which is the best path.

When the collective bargaining law was enacted in 1970, it made sense, perhaps, to have a unified employer group. But, maybe now, in 2016, it's time to revisit the question. So, you'll note that I'm skillfully avoiding saying yes or no that I agree or disagree, but I do believe that it's time for the debate.



COUNCILMEMBER HOKAMA: Chairman, if I may have one follow up.

CHAIR WHITE: Yes.

COUNCILMEMBER HOKAMA: And, I appreciate your skillful response to that question, Mr. Perreira. The other concern that we have as far as, and again, you know we are aware, this coming year, fourteen collective bargaining contracts will go back to the table, fourteen at one time. So saying that, would your organization, your membership be supportive? Because one of the things that I have been made aware of, that I believe it's time for us as employers' representatives to consider seriously, is to look at the whole, all fourteen units and look at a wage comparison and see if there are structural adjustments that are needed to ensure structural integrity, from Unit 1 to Unit 14. And, I don't think we've done that in recent, should I say decades?

MR. PERREIRA: Maybe never.

COUNCILMEMBER HOKAMA: But is that something you, your organization would be supportive of if we move that forward?

MR. PERREIRA: Absolutely. And, I would say that unequivocally, we would wholeheartedly support such an effort. And, I think, I could certainly cite Bargaining Unit 14 today as an example. And with our appreciation to this Council for your so far favorable consideration, where you take a look at the, as I mentioned earlier, the skills needed as well as the risks that these employees assume. Clearly, you can say that you can place them within that hierarchy of all occupations at a certain level, relative to other occupational groups.

I can, I've worked for the HGEA now for just over 30 years, and I don't recall ever seeing the employers either jointly or individually assessing and doing a legitimate and, and appropriate comparison of job responsibilities. And very clearly, in 2016, we are far removed from the 1970's or 80's where jobs were, I can still remember having to do typing with carbon paper. The jobs clearly have migrated to a very different place today. So, I would wholehearted, I think for HGEA, we would wholeheartedly support.

COUNCILMEMBER HOKAMA: Thank you, Mr. Perreira.

Chairman, thank you.

CHAIR WHITE: Any questions?

Mr. Victorino.

COUNCILMEMBER VICTORINO: Yes, thank you. And, Randy, thank you for being here.

MR. PERREIRA: No, thank you.

COUNCILMEMBER VICTORINO: My, my only question is Bargaining Unit 14 is a new unit just created for the purpose of ocean safety officers right?

MR. PERREIRA: And law enforcement.

COUNCILMEMBER VICTORINO: And law enforcement.

MR. PERREIRA: Yes.

COUNCILMEMBER VICTORINO: So it's a combination of both?

MR. PERREIRA: Yes.

COUNCILMEMBER VICTORINO: Okay. And, when was the last time a unit was created, a new unit was created?

MR. PERREIRA: There were no units created since the inception of collective bargaining.

COUNCILMEMBER VICTORINO: So, you up to Unit 13?

MR. PERREIRA: So this is the first.

COUNCILMEMBER VICTORINO: Up to Unit 13 it had been the same, so this is the first time you are organizing a new group which is ocean safety and law enforcement together?

MR. PERREIRA: Correct.

COUNCILMEMBER VICTORINO: Okay. And, so the last question I have for you is, being that this has been one of those real challenge areas because we had been so used to lifeguards. And in, in Maui County, the lifeguards was under the Parks, as you well know, which they were doing pools and then you had a group that was doing ocean, you know, we had two different groups all lumped into one, and now we've separated them. Do you feel that what we've been able to achieve to this point is fair and palatable for this group of people and the risk they take each and every day.

MR. PERREIRA: Well, to that sir, I have to be very careful, because I have a number of my members sitting and waiting to hear my answer.

COUNCILMEMBER VICTORINO: Yes, and I know, that's why I asked the question, cause they were waiting.

MR. PERREIRA: I think the arbitration process provided with the, the unfortunate circumstances is that the parties could not come together in a voluntary agreement, which necessitated then, the use of an outside party, an arbitrator or an arbitration panel, pardon me, to settle, to the settle the matter.

Arbitration inherently implies a certain amount of compromise. And, I think what's before you reflects, to some degree, a compromise. I'm not going to say that the, the compensation package is unfair by any means. And, we certainly do appreciate the fact that the, that the amount of, of money needed to, to fulfill the agreement is, is being appropriated.

But, there are many components to an agreement. And I think for both the employers side, there were some issues that I do understand. We are continuing conversation with this County and others to try to address. As well as for us, the ongoing to the point that Councilmember Hokama suggested, the ongoing comparison of responsibilities say between this group and other first responders. I could give you an answer at this moment in time, but for us, it's a, it's a very fluid thing because the contract consists of a lot of different issues, wages, and working conditions. And, it wouldn't be appropriate for me to just say, you know, okay the pay is fine so that means everything is good.

Another evasive answer perhaps, but for us it's a, it's a very fluid process that, where we on our side do attempt to make comparison with the responsibilities of other jobs even if the employers do not.

COUNCILMEMBER VICTORINO: Thank you, Randy. I, I think the public needed to hear that, that's why I was asking the question, along with your people, so they have a better understanding how this all comes about. It's just not an instantaneous overnight decision that is made.

MR. PERREIRA: Oh hardly. And I will, maybe I'll say it this way, while I may be skating the question about whether or not I consider this to be everything is fair with our appreciation, it's certainly better.

COUNCILMEMBER VICTORINO: Thank you very much.

Thank you, Chair.

CHAIR WHITE: Any other questions, Members?

Well, I, I've got one.

MR. PERREIRA: Sir.

CHAIR WHITE: We have a, an agreement here that is going to require this County to spend twice the amount of the increase that we've gotten in TAT from the State over the last eight years. We've gotten a total of \$508,000 a year increase, and it's not much more than that over the last 18 years.

During the past eight years, the counties, all four counties are spending now \$170 million more per year on just Parks, Fire, and Police—the, the groups that mostly interface with our, with our visitors. During that \$170 million increase, we've gotten, all four counties \$2.2 million of additional revenues to offset the provision of, of services to the visitors.

This particular contract, Bargaining Unit 14, I think is a prime example of a visitor related service that we should be more than willing to fund. And, but at the same time, we're not getting much help from the, from the State. Would your organization be in favor of supporting the County's request for additional funding since the TAT has grown, while the TAT has grown from 126 million to, the projection for this coming fiscal year is about 470 million; our share has grown from 100.3 to 103, so \$2.7 million increase over about 18 years. So, is there some willingness in your organization to assist us in our efforts to get a fairer share, like we've done, or been asked to do for the, for the ocean safety officers?

MR. PERREIRA: I will confess, Mr. Chair, that this year we were not public in our advocacy, but I will assure you that the HGEA has and will continue to stand in support of increasing the County's share of the TAT.

I was born and raised on the Big Island. I know that, that the County's taking in the short end from the State routinely. And, I think, you can count on us and, and understanding the situation as it is today. At least I can, I can assure that we will be a bit more public with our advocacy. But, we have always supported an increase in the County's share for, in part the very reason you stated, because the counties provide needed services to the State, if you will, and in particular to the visitor

industry. And, it's unfair to, it's an unfair mandate for the counties to continue to bare a greater and greater share without some additional assistance.

CHAIR WHITE: Okay, thank you.

MR. PERREIRA: Absolutely.

CHAIR WHITE: Members, any other comments or questions?

Mr. Guzman.

VICE-CHAIR GUZMAN: Thank you, Chair. Thank you very much for being here.

MR. PERREIRA: No, thanks for having me.

VICE-CHAIR GUZMAN: I only had one cup of coffee today, so I'm not going to go--

But, anyways, I really do appreciate you taking the time to come down and, and converse with us, I mean, although you're limited three minutes. In any process, especially this one, where it is the first time in many years that a, a new unit has been created and inception of it, and we've had to go through some growing pains in the process. I haven't been all that happy with the process, but by moving forward and having this dialogue, I would hope that this would continue and, this collaboration, and this, this type of conversation will continue in the future so that we won't come in today, you know, a situation that we recently did. So, thank you, they, thank you, thank you very much.

(Councilmember Baisa was excused from the meeting at 10:19 a.m.)

MR. PERREIRA: Oh no, thank you for having me. My apologies to the Council. I would have been here last week for the Budget Committee, but your meeting coincided with the opening day of our convention. So, I was called off otherwise. But, thank you.

CHAIR WHITE: We, we certainly understand. Without any further questions, thank you very much for being here, Mr. Perreira.

MR. PERREIRA: Thank you.

CHAIR WHITE: Mr. Clerk.

COUNTY CLERK: Next testifier is Rosemary Robbins testifying on Committee Report 16-81 and 16-84.



MS. ROSEMARY ROBBINS (testifying on Committee Reports 16-81 and 16-84):

Good morning, everybody.

CHAIR WHITE: Good morning.

MS. ROBBINS: From an old lifeguard instructor trainer, two sides definitely.

Okay, so on item 16-81, from the Budget and Finance Committee, recommending first--

CHAIR WHITE: Although we know you well, could you just state your name for the record.

MS. ROBBINS: Oh, I'm sorry. Rosemary Robbins, excuse me.

CHAIR WHITE: Thank you.

MS. ROBBINS: Sorry. Recommending first reading of a bill to amend the Fiscal Year 2016, that's going to be over in less than two months, budget by adding 400,000 to the Highway Beautification and Disposal of Abandoned Vehicles Revolving Fund and decreasing the Road, Bridge, and Drainage Maintenance Program, Highway Fund, by the same amount.

Because revenue projections for the Highway Beautification Fund were overestimated in previous fiscal years, the Fund is facing a budgetary shortfall for Fiscal Year 2016. Makes me wonder why we weren't anticipating what those costs were going to be. There's certainly room for improvement in that.

As far as cutting down on, on the maintenance end of things, that's really scary. We see, coming from Kula down into Kihei, the problems when we have fast runs in moving water. We see that going down Kokomo Road and right across the road to Hana when it's on that side of the island, which is more frequent than it is up where I am. But, in both cases, serious situations.

So, we need to make sure that we take a look at the past, what got us to where we are with being, overestimating, getting money for it and then not using it for what it was intended. A problem with the pono, perhaps, involved in there.

So, make your decision as you see fit on that. But, that's just the beginning of what needs to happen to make sure that we get out of this rut of not estimating carefully, and monitoring as we go along. And, for heaven sake's, using the money before it just sits around gaining nothing until it accumulates to things like \$400,000. Thank you.

CHAIR WHITE: Thank you, Ms. Robbins.

MS. ROBBINS: You're welcome.

CHAIR WHITE: Members, any need for clarification? Seeing none, thank you for being here this morning.

MS. ROBBINS: May I do the second one?

CHAIR WHITE: Yup, go ahead.

(Councilmember Baisa returned to the meeting at 10:26 a.m.)

MS. ROBBINS: Thank you. Okay, the second one is on page 4 of our agenda today, item 16-84 in the Budget and Finance Committee. This is two different pieces. Piece one is about wastewater projects. The other one is about Drinking Water Treatment Revolving Loan Funds. Anytime we see something that says loan, we can use the synonym for that as being debt.

So, we're accumulating debt at a galloping pace, which means that our little ones, grandchildren, are going to be left with trying to pay off the debts that we will have accumulated if we continue at the same rate that we're going.

Item on that, adds up to \$17 million, that's the one for the wastewater projects. The one for the Drinking Water Treatment Revolving Loan Debt Fund is 14 million. So, there's 31 million just on those two paragraphs. And, the additional debt that we're accumulating is in the same words when I went back to read it as what happened with the money that was involved in the injection well situation up on West Maui, where we ended up having additional attorneys coming in.

Remember those fees for those additional attorneys to address a violation of a Federal law, the Clean Water Act, which was as of 1973? And, then to pay off the debts for those attorneys. And, they were all worded not to exceed, and then they came in for five different to exceeds. And, it went from a half million dollars to three and a half million dollars.

We've got such a pattern of what's going on here, and it's not serving us well. So, I'm encouraging you not to just get stuck in that pattern that has been going on because it has been leading us in places that we really can't afford to go. And, our great-great grandchildren certainly are not going to be able to afford that. That burden's going to be on their back. Thank you.

CHAIR WHITE: Thank you, Ms. Robbins.

Members, any need for clarification? Seeing none, thank you for being here this morning.

MS. ROBBINS: You're welcome.

CHAIR WHITE: Mr. Clerk.

COUNTY CLERK: Mr. Chair, going to our District Offices. Lanai and Molokai has no individuals wanting to testify.

Hana Office, please identify yourself and introduce your first testifier.

MS. DAWN LONO: Good morning. Our first testifier, our first testifier is . . . testifying on 16-95, and Bill No. 43. Can you hear us okay?

CHAIR WHITE: I don't think it's picking up. Check the mic.

COUNTY CLERK: Hana, we'll, we're going to get back to you later.

CHAIR WHITE: We'll take a, take a, just take a quick recess.

COUNTY CLERK: Okay.

(THE MEETING WAS RECESSED BY THE CHAIR AT 10:29 A.M., AND WAS RECONVENED AT 10:31 A.M., WITH ALL MEMBERS PRESENT, EXCEPT MEMBER COCHRAN, EXCUSED.)

CHAIR WHITE: This meeting will please come back to order. And, we'll proceed with testimony from Hana.

Dawn, please present your first testifier.

MS. LONO: Our first testifier is Froyam Edel, testifying on item 16-95 and Bill No. 43.

MR. FROYAM EDEL, [testifying on County Communication 16-95 and Bill No. 43 (2016)]:

Good morning, Council Chair and Councilmembers. My name is Froyam Edel, I am owner and principle broker of Whale Song Realty--

MS. LONO: Can you hear him okay?

CHAIR WHITE: Yes, we can. Members, can you hear?

MR. EDEL: --here in Hana. And, I wanted to speak to the amendments, proposed amendment for the short-term rental extending and making it where a five-year ownership of a property before any application for a short-term rental. And, I've heard about this. And, I think it's hard enough to get a short-term rental permit without making it impossible. It's, as you all know, it's very hard to make a living in Hana. There aren't that many ways to make a living. One, again, is to do a short-term rental from your property that makes it affordable. It's a beautiful place to retire but people can't retire unless they have some kind of supplemental income.

So, in, in the last several years, I went through my records and out of ten residential properties, nice houses that I've sold, only one went into short-term rental. And, the other nine are either lived in, part-time lived in, or long-term rental units. Eight of them were second homeowners, and they had no intention of going into short-term.

(Councilmember Cochran returned to the meeting at 10:33 a.m.)

MR. EDEL: But, many people here need the short-term rental, and they're not getting it very easily. There are, it is true that there's a lot of housing that are doing short-term rental without permits, and nothing has been done about them. And now, with about twenty, there's thirteen permits that have been issued and another eight waiting to be issued. So that's twenty-one, that leaves only nine open permits for Hana for short-term rental.

And, if this amendment is, may, is going to be very difficult. It's going to be harder to sell a property when there's no potential of income. And, I just don't understand why it's actually being done here in Hana, because we need the vacation rentals. There's only one hotel, very expensive; one condominium. And then there's twenty legal short-term rentals. And, we could use the additional nine. It takes a long time to get it, it's hard to get it. And now, it's going to be made pretty impossible to get it.

So, I don't see what the five years is going to benefit anybody. We're not going to give to taxes. I mean, if somebody has the short-term rental property, they pay much more in taxes, property taxes. They pay about 13 percent in taxes for the rental. And so, it brings money into the State.

The properties hire people to take care of it and, and maintain it. Most of the people don't, their owners don't live here, so they have to hire someone within 30 miles of Hana. So, that brings income to people to manage it, people to maintain it. And the people that stay here, instead of having an empty house for eleven months, a year, people are here spending money in Hana.

CHAIR WHITE: Mr. Edel, you'll, you'll, could you provide a concluding thought on that, on this item please.

MR. EDEL: My concluding thought is just to leave it the way it is.

CHAIR WHITE: Okay. I've, I've suspected such.

Thank you very much. Were you testifying on two items?

MR. EDEL: No, I think I was testifying on the five-year extension--

CHAIR WHITE: Okay.

MR. EDEL: --for--

CHAIR WHITE: Okay, so that concludes your testimony. And, let me see if the Members have any need for clarification. Members? Seeing none, thank you very much for your thoughts this morning, Mr. Edel.

Dawn will you please call your next testifier.

MR. EDEL: Thank you for listening.

MS. LONO: Okay, the next testifier is Moses Bergau, testifying item 16-80.

MR. MOSES BERGAU (testifying on County Communication No. 16-80):

Good morning. My name is Moses Bergau and I'm testifying on the Nahiku Community Center. I, myself, and a lot of residents are against the construction of, of



the community center. There's a lot of issues that hasn't been addressed before the item came up.

One of them is the, the impact on the community itself. I've spoken to a lot of the residents that's surrounding the immediate area. They're very concerned on a, on the taxes, of course, and the egress and ingress of, to the property.

I'm well aware that when you do have a capital improvement, you have a capital tax on it. And, will it affect the surrounding neighbors and radiate out into the community, which is very much a concern.

And also, the access from the main State highway through the community. It's a very narrow road. And so our concern is how, you know, how is that all being addressed at this moment? So, we'd like to see, we would like to see that this project is taken out of your consideration, and also that we would have more better input into it, to bring it back if the community wants it.

Now, I'm speaking on behalf of the actual residents that, that lives there. Because, because of the way it was formed, we were led to believe that the community would have full control over facilities and its operations. That, that was many years ago. And, I do believe that once government funds are, are included in this project, that is not so. But there is, there is a lot of concern on the procedures that has been taken so far.

Thank you, Councilmen. And, myself and a lot of the residents in Nahiku is against this project. Thank you.

CHAIR WHITE: Thank you, Mr. Bergau.

Members, any questions for the testifier? Seeing none, thank you for your testimony this morning, Mr. Bergau.

Mr. Clerk.

COUNTY CLERK: Mr. Chair, returning to the chambers. The next testifier is Jeff Murray, Fire Chief, to be followed by Tom Croly.

MR. JEFF MURRAY (testifying on Committee Report 16-84):

Aloha and good morning, Council Chair and Members.

CHAIR WHITE: Good morning, Chief.

FIRE CHIEF: My name is Jeff Murray, I'm the Fire Chief for Maui County. I'm here on two subjects. One is the deletion of two Battalion Chief positions. We ask that you please reconsider that.

Each individual manages eight companies, with a total of 40 personnel on a daily basis. They manage all incidents on West Maui, Wailuku, Molokai, and Lanai. They're also the first backup to Battalion One, which the, is the rest of Maui County.

During incidents they involve, that involve life safety and large incidents, the Battalion Chiefs are responsible for being the incident commanders, so safety is paramount.

Another subject is the Ocean Safety merger. With the support of the Mayor's Office and staff, both my Department and Department of public, of Parks and Recreation are ready and willing to move forward with the merger.

However, we need to receive funding for the following items that were deleted prior to this first reading. The seven ocean safety officers are necessary to create manpower, to cover manpower shortages. In some cases, with us, it would mean imminent beach closures, and that would be a safety concern for our beachgoers.

Two clerical positions, a secretary and office ops assistant. Our Department currently has administrative support staff of 12, for 314 uniformed employees. In comparison to our brothers and sisters in blue, MPD has the support staff of approximately 143, and their uniformed staff is approximately 366. With the addition of 60.5 to our uniformed 314, this will give us a total of 374. And, it's unrealistic to expect the 12 clerical staff that we have now to support the 374. So, I please urge you to think about that.

Automotive mechanic position. We have four mechanics for 120 plus vehicles, trailers, jet skis; you name it we got it. They're coming over with 46, so we're asking you to restore that as well.

Should any of these items be, not be restored, we are unable to complete the merger as we have worked very diligently towards in the past three and a half years. We will have to defer the merger until it's completely supported by this Council.

I have, I'll, I'll provide this written. I have two more pages left. But, thank you for the opportunity.

CHAIR WHITE: Actually, you have, you have more time if you'd like to utilize it. You have another 30 seconds.

FIRE CHIEF: Please Chair, could I?

CHAIR WHITE: Yea.

FIRE CHIEF: Thank you. And, based on a Charter amendment, Section 15-4, upon adoption of the proposed 2012 amendment Section 8-7.4, the Maui County Fire Department shall provide a, a timetable for the transition to include the functions of shoreline and ocean safety rescue.

As a representative of the County of Maui, Department of Fire and Safety, I have no choice but to exercise the responsibility given by the voting public to deny the merger if our FY17 proposed budget is not put back intact.

So, I please urge you to reconsider. The Fire Commission has asked us to provide a level of excellence through the Fire Department, and we're going to do the same thing for ocean safety. And, that was tasked upon me. And, I feel that it is our responsibility to carry that forward. So right now, as it stands, we'll just be doing the same thing. And, I believe at this point in time, that this is the apex that we need to make that turn to do better by there, and by our community. So, I urge you to reconsider. Thank you.

CHAIR WHITE: Thank you, Chief.

COUNCILMEMBER VICTORINO: Mr. Chair.

CHAIR WHITE: Members, any need for clarification?

COUNCILMEMBER VICTORINO: Chair.

CHAIR WHITE: Mr. Victorino.

COUNCILMEMBER VICTORINO: Thank you. And, thank you Mr. Murray for being here, Chief Murray. So, if I hear you correctly, unless we reinstate all of the above? That, is that what you're saying; it's all or nothing? Is that what you're coming across right now to us?

You said, I quote, I need seven more ocean, ocean safety officers; I need two more clerical; a mechanic, to handle all the vehicles. Without that, along with the other issues, you will defer taking any more action and not bring forward the merger?

FIRE CHIEF: Yes.

COUNCILMEMBER VICTORINO: Is that what you're saying.

FIRE CHIEF: That's what I'm saying.

COUNCILMEMBER VICTORINO: Hmm, come a long way but, I'm going to, I'm going to have to ask Corporation Council on this one, Mr. Chair. I, I don't know at this point. I understand the Chief had a big part of it. It was clearly stated in the mandate, and maybe that mandate should've been addressed in another manner. But it's too late now, we cannot change what is in front of us.

But, we've come to this point, and to say, if I don't get all of this, I cannot move ahead, especially after we have Unit 14, you know, a new bargaining unit all ready to go; makes me feel very uncomfortable.

I support the Chief. I support the need of this, this area. I'm not knocking that. But to say all or nothing seems to be kind of drastic at this point. So, I would ask Corporation Counsel for their advice after this, not now, when we get to the issue.

CHAIR WHITE: Yea I wouldn't, I would just ask that we hold that for--

COUNCILMEMBER VICTORINO: Yea, that's fine. I'll wait till we get to the issue and then I'd like to ask the question please?

CHAIR WHITE: Thank you.

Ms. Baisa, did you?

COUNCILMEMBER BAISA: No, Mr. Victorino essentially asked my question. I was trying to get clarity, well, as to whether or not this was, we cannot go ahead with the merger unless we get all of the things that we've asked for. And, I think that's pretty clear. Thank you very much, Chief.

FIRE CHIEF: Thank you.

CHAIR WHITE: Ms. Crivello.

COUNCILMEMBER CRIVELLO: Thank you for being here, Chief. I understand your reference to 15.4 in the Charter. But my question is do you have a, an agreement in

place with Parks and Recreation, some sort of MOU or some form of agreement to start the transition?

FIRE CHIEF: No, we don't.

COUNCILMEMBER CRIVELLO: You, you do not have that? You have nothing in place except just the plans to transition?

FIRE CHIEF: Yes, we do have MOU's for the transitioning portion. But, the MOU doesn't state that we are agreeing to July 1.

COUNCILMEMBER CRIVELLO: So, basically it's just a generic MOU to say we're accepting this transition and what have you?

FIRE CHIEF: Yes. Once it's done, then that MOU takes effect.

COUNCILMEMBER CRIVELLO: Okay, thank you.

CHAIR WHITE: Any further need for clarification, Members? Seeing none, thank you for being here Chief.

FIRE CHIEF: Thank you.

CHAIR WHITE: Mr. Clerk.

COUNTY CLERK: Next testify--

COUNCILMEMBER COCHRAN: Chair, sorry, sorry, sorry.

CHAIR WHITE: Oh, I'm sorry.

COUNCILMEMBER COCHRAN: Chief, are you, is he going to submit the testimony?

COUNCILMEMBER VICTORINO: Yes.

COUNCILMEMBER CRIVELLO: You're going to submit that?

FIRE CHIEF: Yes, I am.

COUNCILMEMBER COCHRAN: Oh, okay. Thank you very much.

FIRE CHIEF: All right. Thank you.



CHAIR WHITE: Thank you.

COUNTY CLERK: Next testifier is Thomas Croly on behalf of the Maui Vacation Rental Association, testifying on Bill No. 43 and County Communication 16-95, to be followed by Terryl Vencl.

MR. TOM CROLY, MAUI VACATION RENTAL ASSOCIATION [testifying on County Communication No. 16-95 and Bill 43 (2016)]:

Aloha, Chair. Aloha, Council. Thomas Croly on behalf of the Maui Vacation Rental Association. I'm urging you first to pass Bill 43 without further amendment at today's meeting.

I want to make, take a little time to kind of correct some statements that may have been said in this room, that may have been said by the Department and so forth, just so that the positions of Maui Vacation Rental Association are very clear.

The Maui Vacation Rental Association supports proactive enforcement efforts by Maui County designed to cease any and all un-permit short-term rental uses on Maui. That has not been done.

The Maui Vacation Rental Association supports all efforts to properly permit all short-term rental uses consistent with the bed and breakfast and short-term rental ordinances. For bed and breakfast, this means that the owner resides full-time on the B&B property. And for short-term rental, it means that the property is either professionally managed by a licensed real estate agent, or is managed by the owner or immediate family member residing within 30, 30 miles of the rental who is available 24 hours a day.

The Maui Vacation Rental Association believes that all property owners deserve a fair and equal opportunity to be granted a permit, provided their application meets the permit criteria and abide, and that they abide by all permit standards and restrictions.

The Maui Vacation Rental Association recognizes the rapidly expanding and constantly changing nature of short-term rental uses worldwide, and recognizes that Maui County's laws must adopt to address them.

The bed and breakfast and short-term rental ordinances were adopted to help regulate the two specifically defined short-term rental uses in Maui County. Each is

doing exactly that for the 295 folks who have been granted bed and breakfast or short-term rental permits to date.

However, it needs to be noted that many other short-term rental uses being made by owners and renters of, of single-family homes, condominiums, and sometimes unapproved structures is being made. And, these folks will never be able to comply with either of these ordinances. The Maui Vacation Rental Association would like to see efforts being made to shut down those operations. That has never been done.

Chair, I'd like to move on just to, to make comment about the, the communication item.

CHAIR WHITE: Please proceed.

MR. CROLY: So, I'll start my new testimony now. I submitted some written testimony, and it's a spreadsheet, and I just want to explain what's on that spreadsheet. I used data provided by the Realtor's Association to look at all the single-family homes that have been sold over the last 15 years in Maui County. And, if you look at the spreadsheet, that totals 15,434 homes that have been sold in that 15-year period.

I also looked at each of the short-term rental permits that were granted for properties purchased in each individual year. That totals 79 permits over a 15-year period. The percentage of homes sold to permits, short-term rental permits given out, is one-half of one percent, or approximately one in 195 home sales eventually goes on to get a short-term rental permit.

Based on that data, I don't think that it's prudent to say that we need something to protect new property owners or to restrict new property owners from applying for a permit. We do need new property owners if they choose to make this use to apply for a permit, and not open up and, and, and operate without a permit. Yes, that is taking place. But, I don't think we need further restrictions on these, these purchasers because we can see, based on this data, that there is no flood of, of applicants coming in who recently purchased houses. Thank you.

CHAIR WHITE: Members, any questions for the testifier? Seeing none, thanks for being here Mr. Croly.

Mr. Clerk.

COUNTY CLERK: Next testifier is Terryl Vencel, Executive Director of Maui Visitors Bureau, testifying on Committee Report 16-84, to be followed by David DeLeon.

MS. TERRY L. VENCL, MAUI VISITORS BUREAU (testifying on Committee Report 16-84):

Aloha, Mr. Chair, Councilmembers.

CHAIR WHITE: Good morning.

MS. VENCL: I would be remised if I didn't take this opportunity to come and say mahalo to you, to a wonderful community, great industry partners, and to thank you all for the support that I've been giving over, given over the last 26 and a half years.

I can't express how important the recognition of our government and the industry partners, but particularly you, with regard to the importance of the industry. Your support has helped us to become number one across the world in so many different ways.

The industry partners are the people who earn those accolades; the people in business here, the departments who keep our, our, our parks, etc., and the places that the visitors visit as well kept as possible.

This community has so much to be proud of. And, I'm just the person who gets to go out there and pick up all of those accolades for this community.

I just can't do this without tears. So, in my waning phase, I want you to know two things. One, there is a strategic plan in place, and everything will continue to move along. My husband assures me that MVB will move along without me. And two, I urge you to continue your support and just to thank you, thank you for all that you've done for the industry and Maui. Thanks.

CHAIR WHITE: Thank you, Ms. Vencl.

COUNCILMEMBER VICTORINO: Chair.

CHAIR WHITE: Just, just hold on a second. Mr. Victorino has a, a need for clarification of something.

COUNCILMEMBER VICTORINO: Yes.

MS. VENCL: I hope it's not difficult.

COUNCILMEMBER VICTORINO: No, I won't be difficult. You know, and the, appreciate what you've said and, and, and on behalf of myself and others here in this room want to thank you for your years of service.

You can go cry in the back, no problem. We need some water, so go downstairs and drop it in the plants.

But, Mr. Chair, I just wanted to say thank you to Ms. Vencl for all her hard work and dedication. I've had opportunities to work with her in areas throughout the nation. And, I was very proud to say she represents this County and what we, what we stand for in many, many great ways.

So, that's all I have to say. That's the clarification I wanted to make sure everyone heard. Thank you.

CHAIR WHITE: Thank you, Mr. Victorino.

Members, any other need for clarification?

Well, I'll just add my, my congratulations. For many years, you know, you and I have worked on many, many things together, and I really appreciate your work and your friendship. And, but there is one thing you did not deliver, because you told us that you would have your replacement sit through the budget. And, I have not heard that you have a replacement yet.

MS. VENCL: It's coming. It's coming.

CHAIR WHITE: Thank you.

MS. VENCL: I promise. I won't leave without one.

CHAIR WHITE: Thank you, Ms. Vencl.

MS. VENCL: Thank you.

CHAIR WHITE: Mr. Clerk.

COUNTY CLERK: Next testifier is Dave, David DeLeon testifying on Bill 43, on behalf of Realtors Association of Maui, to be followed by Lehua Cosma.

MR. DAVID DELEON, REALTORS ASSOCIATION OF MAUI [testifying on Bill No. 43 (2016)]:

Once again, a hard act to follow. Aloha. I'm Dave Deleon, representing the Realtors Association of Maui.

Our association has been monitoring the Council's efforts to complete the update to the County's short-term rental ordinance, but has not seen the need to interject our perspective until now.

What brings us to the microphone today is the proposal to restrict applications for STR permits to only those owners who have owned their properties for five years or more. While RAM respects the concerns that were the catalyst for this proposal and the sincerity of the proposer, we find we must speak in opposition to it for the following reasons:

- 1) There are three fundamental property rights: to own, to rent, to sell. This proposal would severely limit one of those elementary rights without good cause.
- 2) This proposal came on second reading at the end of a two-year long review of an ordinance. It would severely limit property rights without giving the affected parties good notice. Such a significant change in the character of the law under review deserves a more thorough public discussion than one reading at the, at the last meeting of the County Council.
- 3) Such a significant last minute change negates to the deliberative, and some would say torturous deliberative process that the Council's Planning Committee employed in this, in this review.
- 4) A fundamental goal of this ordinance is to give owners an opportunity to legally rent their properties for short-term periods. This proposal would eliminate that right for many owners, and would encourage some to rent illegally.
- 5) The proposal seems to be addressing a perceived problem in a particular community, yet the proposed solution would apply Countywide.
- 6) While there is a perception that short-term rentals are a contributing factor in our ongoing housing crisis, the data states otherwise. The far majority of these properties are simply too valuable to ever be affordable to most residents.



- 7) And if the supply of affordable housing is the problem being addressed by this proposal, then the correct answer is to build more housing. Economists tell us we need to build 1400 homes a year just to keep up with natural growth. We are building closer to 200 a year. Until we correct that equation, house, the housing crisis will continue, whether we restrict property owners' rights or not.

We ask that you pass this proposed bill without further amendments. Mahalo for this opportunity to speak.

CHAIR WHITE: Thank you, Mr. DeLeon.

Members, any need for clarification, questions?

MR. DELEON: Thank you.

CHAIR WHITE: Seeing none, thank you.

Mr. Clerk.

COUNTY CLERK: Next testifier is Lehua Cosma, testifying on County Communication 16-94.

MS. LEHUA COSMA (testifying on County Communication No. 16-94):

Aloha, Chair White and Members of the Maui County Council. Thank you for this opportunity. I was supposed to testify in Hana, but last minute we decided to come out this way, we cannot miss our \$5 Fridays.

Anyways, that's, it's such an opportunity. And I'm honored as a nominee to serve on the Hana Advisory Committee. I've been that, I've been on there from 2007 to--

CHAIR WHITE: We know who you are, but you need to state your name for the record.

MS. COSMA: I'm so sorry.

CHAIR WHITE: Thank you.

MS. COSMA: My name is Lehua Cosma, from Hana. And, I'm here to testify on the 16-94. And, thank you for the opportunity to serve on the Hana Advisory Committee. I think it's such an important organization to be involved with because there is so many issues that come through Hana, and I'm available to serve. And, I thank you for that.

CHAIR WHITE: And, are you testifying in favor or against the, the bill, or the communication?

MS. COSMA: I'm in favor of that bill.

CHAIR WHITE: Okay.

MS. COSMA: Yea. But, if any questions you want to ask, I'm here. Mahalo.

CHAIR WHITE: Ms. Crivello.

COUNCILMEMBER CRIVELLO: No questions. I just want to thank you for your ongoing dedication and commitment to our ohana, ohana and our Hana community. Mahalo.

MS. COSMA: Thank you, too. And, you know, not only that, I thank you all so much over the seven years of being our number one supporter for our, the only Hana Dialysis home. The first of its kind in the nation, and you've all been a great part of it. Without you, we wouldn't be where we are today, and mahalo.

CHAIR WHITE: Thank you, Ms. Cosma.

COUNCILMEMBER VICTORINO: Chair.

CHAIR WHITE: Mr. Victorino.

COUNCILMEMBER VICTORINO: Ms. Cosmos *[sic]*, thank you for being here. And, you know, and I want to say that I can truly support your nomination, because you have been an instrument of nothing but positive and hardworking, a part of Hana community for so many years. And, I want to thank you for that.

You will not be able to be here later on when we actually take up the item right?  
You're going to be leaving.

MS. COSMA: No.

COUNCILMEMBER VICTORINO: Okay, so I would ask any Council, any Member if they have questions for Ms. Cosmos *[sic]*, now would be the opportunity to ask her, cause she has to leave, Mr. Chair, and return to Hana. So, if you'd allow that, if they have any questions, Mr. Chair. Thank you. Thank you, Lehua.

CHAIR WHITE: Mr. Couch.

MS. COSMA: You're welcome.

COUNCILMEMBER COUCH: I, I guess this is a procedural area. I fully support Ms. Cosma. Are we planning on passing this out or are we referring it to Committee today?

COUNCILMEMBER VICTORINO: We're, Mr. Chair, we're planning to pass it out today. So, that's why I'm saying, if you have any questions, she's here today. Thank you, Mr. Chair.

CHAIR WHITE: Members, any questions for Ms. Cosma?

MS. COSMA: Okay. Mahalo.

CHAIR WHITE: Seeing none, thank you so much for being here.

MS. COSMA: Have a great weekend.

CHAIR WHITE: Mr. Clerk.

COUNTY CLERK: Mr. Chair, there's no further individuals signed up to testify in the Council chamber.

If there is any individuals in the Council chamber who wish to provide testimony, please proceed to the testimony lectern at this time.

Mr. Chair, our District Offices have no one wanting to testify as well at this time. And there's no other individuals available or wanting to testify.

CHAIR WHITE: Thank you, Mr. Clerk.

Members, we have received written testimony. Without objections, we'll enter it into the record.

MEMBERS VOICED NO OBJECTION.

THERE BEING NO OBJECTION, WRITTEN TESTIMONY  
RECEIVED FROM THE FOLLOWING WERE MADE A PART  
OF THE RECORD OF THIS MEETING:

1. Randy Perreira, Hawaii Government Employees Association;
2. Jeff Murray, Fire Chief;
3. Thomas Croly, Maui Vacation Rental Association;
4. David DeLeon, Realtors Association of Maui, Inc.;
5. Richard Dan;
6. J. Stephen Goodfellow, Makila Ranches Inc.;
7. Dustin Tester;
8. Stewart Stant, Director of Environmental Management;
9. Madonna M. Dizon;
10. John-Michael Andrade;
11. Torsten Durkan;
12. Chris Harrington Pryor;
13. Vicki and Timothy Sawyer;
14. William Knowlton;
15. Gary Weiss;
16. Arabella Ark;
17. Carol A. Carolan;
18. Sandi and Dan Simoni;
19. Terry Kristiansen and John Blumer-Buell;
20. Paige Alms;
21. Mike Ottman;
22. Charles Among Jr.;
23. Jaron Chong;
24. John Hoogsteden;
25. Edward C. Stankos;
26. Kaleiolani Pasciuta;
27. Bryan Phillips;
28. Mary Frieze;
29. Arnold Abe;
30. Lindsey Mathews;
31. Tamara Paltin;
32. Unite Here! Local 5 Hawaii;
33. Tait Nelson;
34. Dustin Kona Kuailani;
35. Aldo Tassara;
36. Rick Patrizio;

- 37. Thomas Johnson;
- 38. Randy DeCambra;
- 39. Billy Goodwin;
- 40. Brad Quinto;
- 41. Joey Vieira;
- 42. Wayde Young;
- 43. Loren Clive.
- 44. Dylan Haight;
- 45. David Dorn; and
- 46. Suzanne Dorn.

CHAIR WHITE: And without objection, we will close public testimony.

MEMBERS VOICED NO OBJECTION.

CHAIR WHITE: Thank you, public testimony is closed.

Mr. Clerk, let's proceed.

COUNTY CLERK: Mr. Chair, proceeding with minutes.

### MINUTES

The minutes of the Council of the County of Maui's regular meetings of March 18, 2016, and April 1, 2016, were presented at this time.

CHAIR WHITE: Mr. Guzman. Mr. Guzman.

VICE-CHAIR GUZMAN: Thank you, Chair.

I'D LIKE TO MOVE TO ADOPT THE, AND APPROVE THE  
REGULAR MEETINGS FOR MARCH 18, 2016 AND REGULAR  
MINUTES FOR APRIL 1, 2016.

COUNCILMEMBER VICTORINO:

MR. CHAIR, I SECOND THE MOTION.



CHAIR WHITE: We have a motion from Mr. Guzman, with a second from Mr. Victorino.

Mr. Guzman.

VICE-CHAIR GUZMAN: Nothing further. Thank you, Chair.

CHAIR WHITE: Thank you.

Members, any further discussion on the minutes? Seeing none, all those in favor please signify by saying "aye".

AYES: COUNCILMEMBERS BAISA, CARROLL,  
COCHRAN, COUCH, CRIVELLO, HOKAMA,  
VICTORINO, VICE-CHAIR GUZMAN, AND CHAIR  
WHITE.

CHAIR WHITE: Those opposed say "no".

NOES: NONE.

CHAIR WHITE: Measure passes with nine "ayes", zero "noes".

Mr. Clerk.

COUNTY CLERK: Mr. Chair, proceeding with committee reports.

### COMMITTEE REPORTS

#### COMMITTEE REPORT

NO. 16-76 - BUDGET AND FINANCE COMMITTEE:

Recommending that Resolution 16-72, entitled "AUTHORIZING THE TRANSFER OF AN UNENCUMBERED APPROPRIATION BALANCE WITHIN THE DEPARTMENT OF PUBLIC WORKS, FISCAL YEAR 2016 BUDGET," be ADOPTED.

CHAIR WHITE: Mr. Hokama.

COUNCILMEMBER HOKAMA: Chairman, with no objections from the Members, I would request the Clerk to also bring up Reports 77, 78, and 79.

CHAIR WHITE: Any objections, Members?

MEMBERS VOICED NO OBJECTION.

CHAIR WHITE: So ordered.

(Councilmember Crivello was excused at 11:04 a.m.)

COMMITTEE REPORT

NO. 16-77 - BUDGET AND FINANCE COMMITTEE:

Recommending that Resolution 16-73, entitled "AUTHORIZING THE TRANSFER OF AN UNENCUMBERED APPROPRIATION BALANCE WITHIN THE DEPARTMENT OF PERSONNEL SERVICES, FISCAL YEAR 2016 BUDGET," be ADOPTED.

COMMITTEE REPORT

NO. 16-78 - BUDGET AND FINANCE COMMITTEE:

Recommending that Resolution 16-74, entitled "AUTHORIZING THE TRANSFER OF AN UNENCUMBERED APPROPRIATION BALANCE WITHIN THE DEPARTMENT OF THE PROSECUTING ATTORNEY, FISCAL YEAR 2016 BUDGET," be ADOPTED.

COMMITTEE REPORT

NO. 16-79 - BUDGET AND FINANCE COMMITTEE:

Recommending that Resolution 16-75, entitled "AUTHORIZING THE TRANSFER OF AN UNENCUMBERED APPROPRIATION BALANCE WITHIN THE DEPARTMENT OF HOUSING AND HUMAN CONCERNS, FISCAL YEAR 2016 BUDGET," be ADOPTED.

CHAIR WHITE: Mr. Hokama.

COUNCILMEMBER HOKAMA:

CHAIRMAN, I MOVE THAT COMMITTEE REPORTS 16-76 UP  
TO AND INCLUDING 16-79, ALONG WITH ITS  
RECOMMENDATIONS, BE ADOPTED.

COUNCILMEMBER VICTORINO:

MR. CHAIR, I SECOND THE MOTION.

CHAIR WHITE: We have a motion from Mr. Hokama, with a second from Mr. Victorino.

Mr. Hokama.

COUNCILMEMBER HOKAMA: Mr. Chairman, this is basically housekeeping resolutions to  
take care of departmental requirements before the end of the current fiscal year.  
Thank you.

CHAIR WHITE: Thank you.

Members, any further discussion on these items? Seeing none, all those in favor  
please signify by saying "aye".

AYES: COUNCILMEMBERS BAISA, CARROLL,  
COCHRAN, COUCH, HOKAMA, VICTORINO,  
VICE-CHAIR GUZMAN, AND CHAIR WHITE.

CHAIR WHITE: Those opposed say "no".

NOES: NONE.

EXCUSED: COUNCILMEMBER CRIVELLO.

CHAIR WHITE: Measure passes with eight "ayes"; zero "noes"; one "excused",  
Ms. Crivello.

Mr. Clerk.

COUNTY CLERK: Mr. Chair, for the record, RESOLUTION NOS. 16-72 on through 16-75,  
respectively.

COMMITTEE REPORT

NO. 16-80 - BUDGET AND FINANCE COMMITTEE:

Recommending the following:

1. That Bill 44 (2016), entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2016 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO ESTIMATED REVENUES; HANA COMMUNITY PLAN AREA, GOVERNMENT FACILITIES, NAHIKU COMMUNITY CENTER; TOTAL CAPITAL IMPROVEMENT PROJECT APPROPRIATIONS; AND TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS)" be PASSED ON FIRST READING and be ORDERED TO PRINT; and
2. That Bill 45 (2016), entitled "A BILL FOR AN ORDINANCE AMENDING ORDINANCE NO. 4228, BILL NO. 35 (2015), RELATING TO THE ISSUANCE OF GENERAL OBLIGATION BONDS OF THE COUNTY OF MAUI (NAHIKU COMMUNITY CENTER)," be PASSED ON FIRST READING and be ORDERED TO PRINT.

(Councilmember Crivello returned at 11:06 a.m.)

CHAIR WHITE: Mr. Hokama.

COUNCILMEMBER HOKAMA: Chairman, unless there's a request by the Members, I would also ask the Clerk to bring up 16-81.

COUNCILMEMBER CARROLL: Second.

CHAIR WHITE: Members, any objections?

MEMBERS VOICED NO OBJECTION.

CHAIR WHITE: So ordered.

COMMITTEE REPORT

NO. 16-81 - BUDGET AND FINANCE COMMITTEE:

Recommending that Bill 46 (2016), entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2016 BUDGET FOR THE COUNTY OF MAUI AS IT

PERTAINS TO THE DEPARTMENT OF PUBLIC WORKS, HIGHWAY ADMINISTRATION PROGRAM - HIGHWAY FUND, ROAD, BRIDGE, AND DRAINAGE MAINTENANCE PROGRAM - HIGHWAY FUND," be PASSED ON FIRST READING and be ORDERED TO PRINT.

CHAIR WHITE: Mr. Hokama.

COUNCILMEMBER HOKAMA:

CHAIRMAN, I MOVE THAT COMMITTEE REPORTS 16-80 AND 81, ALONG WITH ITS RECOMMENDATIONS, BE ADOPTED.

COUNCILMEMBER VICTORINO:

MR. CHAIR, I SECOND THE MOTION.

CHAIR WHITE: We have a motion from Mr. Hokama, with a second from Mr. Victorino.

Mr. Hokama.

COUNCILMEMBER HOKAMA: Chairman, regarding the first item 16-80, this is a project that has been long on the books, long in the, its discussions. And, Council is moving forward so we can take care of some other issues that are before another standing committee of this Council regarding potential litigation. Thank you.

CHAIR WHITE: Thank you.

COUNCILMEMBER HOKAMA: Regarding the second item, again, Chairman, upon finding a revenue adjustment requirement, if I can put it that way, regarding the Highway Beautification Disposal of Abandoned Vehicles Revolving Fund, your Committee's making the appropriate adjustments to ensure proper appropriate funding is in place to carry out the needs of the operation.

CHAIR WHITE: Thank you.

Members, any further discussion on these items? Seeing none, all those in favor please signify by saying "aye".



AYES: COUNCILMEMBERS BAISA, CARROLL,  
COCHRAN, COUCH, CRIVELLO, HOKAMA,  
VICTORINO, VICE-CHAIR GUZMAN, AND CHAIR  
WHITE.

CHAIR WHITE: Those opposed say "no".

NOES: NONE.

CHAIR WHITE: Measure passes with nine "ayes", zero "noes".

Mr. Clerk.

COUNTY CLERK: Mr. Chair, for the record, BILL NOS. 44 (2016), 45 (2016), and 46 (2016).

COMMITTEE REPORT  
NO. 16-82 - BUDGET AND FINANCE COMMITTEE:

Recommending the following:

1. That Resolution 16-76, entitled "APPROVING COST ITEMS FOR UNIT 14, OCEAN SAFETY OFFICERS," be ADOPTED; and
2. That County Communication 16-50, from the Mayor, be FILED.

CHAIR WHITE: Mr. Hokama.

COUNCILMEMBER HOKAMA:

MR. CHAIRMAN, I MOVE THAT COMMITTEE REPORT 16-82,  
WITH ITS RECOMMENDATIONS, BE ADOPTED.

COUNCILMEMBER VICTORINO:

MR. CHAIR, I SECOND THE MOTION.

CHAIR WHITE: We have a motion from Mr. Hokama and a second from Mr. Victorino.

Mr. Hokama.

COUNCILMEMBER HOKAMA: Chairman, thank you. As heard earlier by testimony and at previous Committee meetings, your Committee this morning is recommending adoption of its recommendations to Council regarding the approval of Bargaining Unit 14 and its cost items.

The cost items at this point in time will impact the County on its Fiscal Year 2017 Budget by an additional 1,057,975.

Your Committee has appropriated and is recommending the funds in the upcoming budget document for Council decision later this meeting.

And, I would say that if you look at the Committee Report, Mr. Chairman, you will find that the Committee has expressed its concerns in its review of our responsibility as being the appropriators of the funds to carry out this contract arbitration decision.

We appreciate the comments from Executive Director Perreira, of HGEA, regarding this item. And at this time, we would strongly recommend adoption this morning of the resolution. Thank you.

CHAIR WHITE: Thank you, Mr. Hokama.

Members, any further discussion on this item? Seeing none, all those in favor please signify by saying "aye".

AYES: COUNCILMEMBERS BAISA, CARROLL,  
COCHRAN, COUCH, CRIVELLO, HOKAMA,  
VICTORINO, VICE-CHAIR GUZMAN, AND CHAIR  
WHITE.

CHAIR WHITE: Those opposed say "no".

NOES: NONE.

CHAIR WHITE: Measure passes with nine "ayes", zero "noes".

Mr. Clerk.

COUNTY CLERK: For the record, RESOLUTION 16-76.

COMMITTEE REPORT

NO. 16-83 - BUDGET AND FINANCE COMMITTEE:

Recommending that Bill 47 (2016), entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2016 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO ESTIMATED REVENUES; DEPARTMENT OF FIRE AND PUBLIC SAFETY; TOTAL OPERATING APPROPRIATIONS; AND TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS)" be PASSED ON FIRST READING and be ORDERED TO PRINT.

CHAIR WHITE: Mr. Hokama.

COUNCILMEMBER HOKAMA:

CHAIRMAN, I MOVE THAT COMMITTEE REPORT 16-83,  
WITH ITS RECOMMENDATIONS, BE ADOPTED.

COUNCILMEMBER VICTORINO:

MR. CHAIR, I SECOND THE MOTION.

CHAIR WHITE: We have a motion from Mr. Hokama and a second from Mr. Victorino.

Mr. Hokama.

COUNCILMEMBER HOKAMA: Mr. Chairman, your Committee had a difficult time in its review and discussions of this request by the Department of Fire and Public Safety.

We understand the need of the Department as a first response department to deal with unexpected, unplanned incidences. And, of course, the Department did have various responses to all the fire incidences that took a lot of the County's resources to address.

Your Committee's concerns, of course, Mr. Chairman, is regarding this type of incidences. How a Department with fiscal officers can still yet put this Department in a position where it had difficulty coming up with funds to meet payroll for the end of this fiscal year.

Your Committee's concern, again, regarding the fiscal responsibility of this Department is part of the, what I would consider, our level of confidence regarding new requests.

And, upon hearing the Chief's testimony this morning, Mr. Chair, I will say at this point in time I will support this with greater reservations. Thank you.

CHAIR WHITE: Members, any further discussion on this item?

Mr. Guzman.

VICE-CHAIR GUZMAN: Thank you, Chair. I'm probably one of many on this Council that support the Fire Department and their efforts to protect our community. Probably one of my favorite departments in, in the County due to the fact that I like firefighters and the way they, they're almost like supermen or superwomen.

But, in this case, in particular Chair, I was hoping that the Department would have come back during the Committee when they had an opportunity to re-present some solutions or some, some other ways or alternatives to reduce this 1.9 million.

I would have thought in good faith, normally when, let's say a judge or administrator asks for reconsideration, there is some attempt to try to reduce and meet, meet the employer, or the administrator, or the judge halfway. In this case, it was presented as a defensible data that says, you know, look we expended the money, we needed the money, but there was really no attempt for compromise to reduce the 1.9 million. So, I was a little bit disappointed in that.

But, I will support this, and into, also with Mr. Hokama, with reservations. And, would hope that this would cure, at least have them do a better job with budgeting their yearly budget. So, thank you, Chair.

CHAIR WHITE: Thank you.

Members, any further discussion?

COUNCILMEMBER COCHRAN: Chair.

CHAIR WHITE: Ms. Cochran.

COUNCILMEMBER COCHRAN: Thank you. And, yea, I had the direct firsthand experience of having the Fire Department protect my home about a week ago. There was a truck that crashed into the wall over in Honolua. It exploded, caught the valley on fire, and they were there in the pitch black, repelling down the sides of the cliff, dragging the hose to put out the fires that were just above my home and others.

So, I saw firsthand. And, that was a awakening for me that, man, when you want them, you want them there, ready, prepared, trained to do the job, equipment at hand, all that stuff. And, you know, so I really, really extremely appreciate the work and everything that Fire Chief puts his people through to, you know, be at ready to tackle a job.

And, that's unplanned. Who knew someone was going to fly down the road and crash into a cliff. But, they were there. And, so you know, whatever it takes for, to support this Department to carry on the, you know, stand up for public safety needs and protect life and property, you know, I'm all for it.

So, I, it's really hard to figure out where the income will come for what Chief presented here this morning. But, you know, I'm going to try and see, because I'll tell you, without them that day, that whole place would have gone up. And, so I appreciate the work that they do, they do for us. Thank you, Chair.

CHAIR WHITE: Thank you.

CHAIR WHITE: Yea there's, there's no question--

COUNCILMEMBER VICTORINO: Chair.

CHAIR WHITE: --that we all, Mr. Victorino, go ahead.

COUNCILMEMBER VICTORINO: No, no, I, I yield to you. You were starting and I interrupted you. Go ahead.

CHAIR WHITE: No, I, I'll go last. Go ahead.

COUNCILMEMBER VICTORINO: Thank you. And, I'll echo the same sentiments of my colleagues as far as the support of the Fire Department and what they do. I think all of us agree, and there's not a, not a question in any of our minds.

And, I've seen them in action. And when our community was up in flames all around this area, near, near what do you call that place? Another one of those moments where it went right out of my mind just like that. They were there, and not only putting their lives on the line, but making sure that property of others as well as the protection of the public was paramount.



So, I have no problem with this, and I, I understand. I'm just concerned about the other issue and we'll get to that a little bit later. But, I can support this and I don't have reservations in it. I believe they really do need it, and I can support it. Thank you, Chair.

CHAIR WHITE: Any further discussion?

You know, as all of you know, the Chair has some heartburn with this issue, simply because there are many, many communities around the, the country, who have the same interest in protecting the, the welfare of our residents and visitors that have figured out ways to live within their budget.

The concern that the Chair has is that this Department has for the last couple of years, disregarded our, our budget, and has chosen not to live within the amounts that we have provided them. It's the Chair's belief that the budget that we have provided has more than adequate funds and resources to operate the Department very safely and, and with respect to providing a high level of safety. So the Chair's concerned that the scheduling is something that could have been adjusted a bit.

And there are, there's one, one company in particular that I'm concerned is, is simply not, well it's as I have spoken before, it's the Hazmat crew. And, over a 22-month period, they responded to 29 incidents. And that required about 113 man hours on incident. When the total number of available man hours that we're paying \$4.3 million for in 22 months' amounts to 79,080 hours. 79,080 hours to respond to 113 hours of, of responsibility. And, I'm not suggesting that, I'm not addressing whether those were all incidents that required a true Hazmat response or not.

And, I realize that we need to have people ready, trained, and willing to respond. But, I'm just suggesting that I'm, my discomfort is that we have communities that have come up with other ways of doing the same job by addressing their, their issues slightly differently. So, as I did in Committee, I will be unable to support this.

Any further discussion, Members? Seeing none, all those in favor please signify by saying "aye".

AYES: COUNCILMEMBERS BAISA, CARROLL,  
COCHRAN, COUCH, CRIVELLO, HOKAMA,  
VICTORINO, AND VICE-CHAIR GUZMAN.

CHAIR WHITE: Those opposed say "no".

NOES: CHAIR WHITE.

CHAIR WHITE: The measure passes with eight "ayes", and one "no".

Mr. Clerk.

COUNTY CLERK: Mr. Chair, you have before you Committee Report 16-84 from your Budget and Finance Committee.

CHAIR WHITE: Mr. Hokama.

COUNCILMEMBER HOKAMA: Chairman, thank you very much. Chairman, because of my anticipation of potential amendments, I would at this time request the Council to allow Committee Report 16-84 be referred to the end of the calendar.

CHAIR WHITE: With no objections, Members?

MEMBERS VOICED NO OBJECTION.

CHAIR WHITE: We'll move it to the end of the calendar. Okay, so ordered.

Mr. Clerk.

COUNTY CLERK: Mr. Chair, proceeding with County Communications.

### COUNTY COMMUNICATION

NO. 16-88 - DANILO F. AGSALOG, DIRECTOR OF FINANCE,  
(dated May 9, 2016)

Informing of the acquisition of Baldwin Park Recreational Path Easements  
"RP-1" & RP-2", TMK: (2) 2-5-005:046 (Por).

CHAIR WHITE: Mr. Hokama.

COUNCILMEMBER HOKAMA: Chairman.

CHAIR WHITE: I'm sorry.

COUNCILMEMBER HOKAMA: I believe this might be Mr. Victorino or Mr. Guzman.

COUNCILMEMBER VICTORINO: Guzman. That's you, 81, 88.

Recess, Mr. Chair.

CHAIR WHITE: We'll take a quick recess.

(THE MEETING WAS RECESSED BY THE CHAIR AT 11:21 A.M., AND WAS RECONVENED AT 11:23 A.M., WITH ALL MEMBERS PRESENT, EXCEPT MEMBER COCHRAN, EXCUSED.)

CHAIR WHITE: This meeting will please come back to order.

Mr. Guzman.

VICE-CHAIR GUZMAN: Thank you, Chair.

AS THE EAR CHAIR, I WOULD LIKE TO REQUEST FILING  
OF THIS COUNTY COMMUNICATION 16-88.

COUNCILMEMBER VICTORINO:

SECOND, MR. CHAIR.

CHAIR WHITE: We have a motion from Mr. Guzman, and a second from Mr. Victorino.

Mr. Guzman.

VICE-CHAIR GUZMAN: Nothing further. Thank you, Chair.

CHAIR WHITE: Okay, thank you.

Members, any further discussion on this item? Seeing none, all those in favor please signify by saying "aye".

AYES: COUNCILMEMBERS BAISA, CARROLL, COUCH,  
CRIVELLO, HOKAMA, VICTORINO, VICE-CHAIR  
GUZMAN, AND CHAIR WHITE.

CHAIR WHITE: Those opposed say "no".

NOES: NONE.

EXCUSED: COUNCILMEMBER COCHRAN.

CHAIR WHITE: Measure passes with eight "ayes"; zero "noes"; and one "excused", Ms. Cochran.

Mr. Clerk.

NO. 16-89 - ALAN M. ARAKAWA, MAYOR,  
(dated May 3, 2016)

In accordance with Section 2.41.040, Maui County Code, informing of a vacancy on the Board of Ethics due to the resignation of Allen Souza on May 3, 2016.

(Councilmember Cochran came back at 11:24 a.m.)

CHAIR WHITE: Mr. Victorino.

COUNCILMEMBER VICTORINO: Thank you, Mr. Chair.

I MOVE TO FILE COUNTY COMMUNICATION 16-89.

COUNCILMEMBER COUCH:

MR. CHAIR, I SECOND.

CHAIR WHITE: We have a motion from Mr. Victorino, with a second from Mr. Couch.

Mr. Victorino.

COUNCILMEMBER VICTORINO: Thank you, Mr. Chair. This communication is from the Mayor informing us of the vacancy on the Board of Ethics. First of all, I'd like to thank Mr. Souza for his diligence and hard work on the committee and we wish him nothing but continued success.

And, with that being said, there is no further action that needs to be taken. Thank you, Mr. Chair.

CHAIR WHITE: Thank you.

Members, any further discussion on this item? Seeing none, all those in favor please signify by saying "aye".

AYES: COUNCILMEMBERS BAISA, CARROLL,  
COCHRAN, COUCH, CRIVELLO, HOKAMA,  
VICTORINO, VICE-CHAIR GUZMAN, AND  
CHAIR WHITE.

CHAIR WHITE: Those opposed say "no".

NOES: NONE.

CHAIR WHITE: Measure passes with nine "ayes", and zero "noes".

Mr. Clerk.

NO. 16-90 - DAVID TAYLOR, DIRECTOR OF WATER SUPPLY,  
(dated May 5, 2016)

Transmitting the Department of Water Supply's Monthly Source Report and Groundwater Use Report for the month ending April 2016.

CHAIR WHITE: Ms. Baisa.

COUNCILMEMBER BAISA: Thank you very much, Chair.

I MOVE TO FILE COMMUNICATION 16-90.

COUNCILMEMBER VICTORINO:

MR. CHAIR, I SECOND THE MOTION.

CHAIR WHITE: We have a motion from Mr., Ms. Baisa and a second from Mr. Victorino.

Ms. Baisa.

COUNCILMEMBER BAISA: No further discussion is required. Thank you.



CHAIR WHITE: Thank you.

Members, any discussion? Seeing none, all those in favor please signify by saying "aye".

AYES: COUNCILMEMBERS BAISA, CARROLL,  
COCHRAN, COUCH, CRIVELLO, HOKAMA,  
VICTORINO, VICE-CHAIR GUZMAN, AND CHAIR  
WHITE.

CHAIR WHITE: Those opposed say "no".

NOES: NONE.

CHAIR WHITE: Measure passes with nine "ayes", zero "noes".

Mr. Clerk.

NO. 16-91 - ROBERT CARROLL, COUNCILMEMBER,  
(dated May 7, 2016)

Transmitting a proposed amendment to the Fiscal Year 2017 Bond Authorization bill.

CHAIR WHITE: Mr. Carroll.

COUNCILMEMBER CARROLL: Thank you, Chair. May I request that County Communication 16-91 be moved to the end of, of the agenda so it may be considered when Budget and Finance Committee Report 16-84 is called in conjunction with the Fiscal Year 2017 Bond Authorization Bill.

CHAIR WHITE: Without objections, Members, we'll move it to the end of the calendar.

MEMBERS VOICED NO OBJECTION.

CHAIR WHITE: Okay, so ordered. Thank you, Mr. Carroll.

Mr. Clerk.

***(See pages 85 through 94 for discussion and action.)***

NO. 16-92 - RIKI HOKAMA, CHAIR, BUDGET AND FINANCE COMMITTEE,  
(dated May 3, 2016)

Transmitting a proposed resolution entitled "ADOPTING THE FUEL TAX RATES FOR THE COUNTY OF MAUI, EFFECTIVE JULY 1, 2016".

CHAIR WHITE: Mr. Hokama.

COUNCILMEMBER HOKAMA: Chairman, regarding 16-92, seeing the proposals by various Members, Mr. Chairman, I would request that this be placed toward the end of the calendar prior to taking up Committee Report 16-84, which is our budget proposal. Thank you.

CHAIR WHITE: Members, any objections to moving the, this item?

MEMBERS VOICED NO OBJECTION.

CHAIR WHITE: Thank you, so ordered.

Mr. Clerk.

***(See pages 68 through 80 for discussion and action.)***

NO. 16-93 - MIKE WHITE, COUNCIL CHAIR,  
(dated May 5, 2016)

Transmitting a proposed resolution entitled "APPROVING THE HAWAII STATE ASSOCIATION OF COUNTIES' OFFICERS, NOMINEES TO THE NATIONAL ASSOCIATION OF COUNTIES AND WESTERN INTERSTATE REGION BOARDS OF DIRECTORS, AND ANNUAL BUDGET FOR FISCAL YEAR 2017".

CHAIR WHITE: Mr. Victorino.

COUNCILMEMBER VICTORINO: Mr. Chair, I move to adopt. Recess, Mr. Chair.

VICE-CHAIR GUZMAN: Chair.

CHAIR WHITE: Okay. Recess at the call of the Chair.

(THE MEETING WAS RECESSED BY THE CHAIR AT 11:27 A.M., AND WAS RECONVENED AT 11:28 A.M., WITH ALL MEMBERS PRESENT.)

CHAIR WHITE: This meeting will please come back to order.

Vice-Chair Guzman.

VICE-CHAIR GUZMAN: Thank you, Chair.

I MOVE THAT THE PROPOSED RESOLUTION ATTACHED  
TO COUNTY COMMUNICATION 16-93 BE ADOPTED, AND  
THE COMMUNICATIONS BE FILED.

COUNCILMEMBER VICTORINO:

SECOND, MR. CHAIR.

CHAIR WHITE: We have a motion from Mr. Guzman, and a second from Mr. Victorino.

Mr. Guzman.

VICE-CHAIR GUZMAN: Thank you, Chair. The proposed resolution approves, approves the HSAC slate of officers and the board of directors, appointees for NACo and WIR. And, also approves HSAC's Fiscal Year 2017 Operating Budget.

Presiding Officer Pro Tempore Mike Victorino would continue as the HSAC President, and Councilmember Gladys C. Baisa would continue as the Alternate. The Vice-President will be from the Hawaii County Council. The Secretary will be from Kauai County Council. And, the Treasurer will be from the Honolulu City Council.

Council Chair Mike White is nominated to the WIR board of the directors.

And the HSAC operating budget remains the same as this year, except for adjustments made for promotions and lobbying expenses.

The HSAC general membership will be, will be needed to approve the slate and budget at the HSAC conference on Kona next month.

Chair, I respectfully request the support for this motion.

CHAIR WHITE: Thank you, Mr. Guzman.

Members, any further discussion? Seeing none, all those in favor please signify by saying "aye".

AYES: COUNCILMEMBERS BAISA, CARROLL,  
COCHRAN, COUCH, CRIVELLO, HOKAMA,  
VICTORINO, VICE-CHAIR GUZMAN, AND CHAIR  
WHITE.

CHAIR WHITE: Those opposed say "no".

NOES: NONE.

CHAIR WHITE: Measure passes with nine "ayes" and zero "noes".

Mr. Clerk.

COUNTY CLERK: Mr. Chair, proceeding, excuse me, for the record, RESOLUTION 16-77.

NO. 16-94 - MICHAEL P. VICTORINO, CHAIR, POLICY AND  
INTERGOVERNMENTAL AFFAIRS COMMITTEE,  
(dated May 9, 2016)

Submitting the Mayor's nomination of Andrea Lehuanani Cosma to the Hana Advisory Committee and transmitting a proposed resolution entitled "APPOINTMENT OF MEMBER TO THE HANA ADVISORY COMMITTEE FOR THE COUNTY OF MAUI".

CHAIR WHITE: Mr. Victorino.

COUNCILMEMBER VICTORINO: Thank you, Mr. Chair.

I MOVE TO DISCHARGE THE POLICY AND INTERGOVERNMENTAL AFFAIRS COMMITTEE WITH FURTHER CONSIDERATION ON THE PROPOSED RESOLUTION ATTACHED TO COUNTY COMMUNICATION 16-94, ENTITLED "AN APPOINTMENT OF A MEMBER TO THE HANA ADVISORY COMMITTEE".

COUNCILMEMBER CARROLL:

SECOND.

CHAIR WHITE: We have a motion from Mr. Victorino, with a second from Mr. Carroll.

Mr. Victorino.

COUNCILMEMBER VICTORINO: Thank you, Mr. Chair. There is a vacancy on the Hana Advisory Committee due to a disapproval of a nominee. In accordance to Section 13-2.16, Revised Charter of the County of Maui, 1983, as amend, as amended, and the Charter 2.41 *[sic]*, Maui County Code, by correspondence dated May 9, 2016, the Mayor transmitted a resolution appointing Adrienne Lehuanani Cosmos *[sic]* to the Committee.

This matter is time-sensitive because of the deadline for the Council to approve or disapprove the nomination of, nomination by May 31, 2016.

I request the Committee be discharged from this matter so that the Council may consider it today. Thank you, Mr. Chair.

CHAIR WHITE: Is that a, a motion for discharge?

COUNCILMEMBER VICTORINO: For discharge.

COUNCILMEMBER COUCH: Mr. Chair.

COUNCILMEMBER VICTORINO: I moved to discharge.

CHAIR WHITE: Actually, yea.

COUNCILMEMBER COUCH: Point, point of order. Has it ever been assigned to a Committee yet?

CHAIR WHITE: I don't. I'll take a quick recess.

(THE MEETING WAS RECESSED BY THE CHAIR AT 11:32 A.M., AND WAS RECONVENED AT 11:33 A.M., WITH ALL MEMBERS PRESENT.)

CHAIR WHITE: Okay, back to Mr. Victorino.



COUNCILMEMBER VICTORINO: Thank you, Mr. Chair. As I stated already for the discharge for Ms. Cosma to, to be appointed to the Hana Advisory Committee due to the time-sensitivity as of May 31, 2016. Thank you, Mr. Char.

CHAIR WHITE: Members, do we have, do we need to take a vote on the discharge?

COUNCILMEMBER VICTORINO: Yes.

CHAIR WHITE: That was a motion. Did we get a second?

COUNCILMEMBER VICTORINO: Yes, Mr. Couch.

COUNCILMEMBER COUCH: Mr. Carroll. Mr. Carroll.

COUNCILMEMBER VICTORINO: Oh, Carroll, yea Carroll.

CHAIR WHITE: Okay, I'm sorry, got a little mixed up. Okay, any discussion, Members? Seeing none, all those in favor please signify by saying "aye".

AYES: COUNCILMEMBERS BAISA, CARROLL,  
COCHRAN, COUCH, CRIVELLO, HOKAMA,  
VICTORINO, VICE-CHAIR GUZMAN, AND CHAIR  
WHITE.

CHAIR WHITE: Those opposed say "no".

NOES: NONE.

CHAIR WHITE: Measure passes with nine "ayes", zero "noes".

Mr. Victorino.

COUNCILMEMBER VICTORINO: Thank you.

I MOVE TO WAIVE THE REQUIREMENT OF COMMITTEE  
REFERRAL AND REPORT FOR THE PURPOSE OF THE  
PROPOSED RESOLUTION ATTACHED TO THE COUNTY  
COMMUNICATION 16-94, PURSUANT TO, PURSUANT TO  
RULE E, 7(E) OF THE RULES OF THE, THE COUNCIL.

COUNCILMEMBER CARROLL:

SECOND.

CHAIR WHITE: We have a motion from Mr. Victorino, with a second from Mr. Carroll.

Mr. Victorino.

COUNCILMEMBER VICTORINO: Thank you, Mr. Chair. Approval of this motion by a two-thirds vote of the entire membership of the Council will enable the Council to consider this time-sensitive resolution today.

I'm requesting the Council's support on the waiver and referral to this, for this matter so that the Council may consider it today. Thank you, Mr. Chair.

CHAIR WHITE: Thank you.

Any further discussion, Members, on the waiver? Seeing none, all those in favor please signify by saying "aye".

AYES: COUNCILMEMBERS BAISA, CARROLL,  
COCHRAN, COUCH, CRIVELLO, HOKAMA,  
VICTORINO, VICE-CHAIR GUZMAN, AND CHAIR  
WHITE.

CHAIR WHITE: Those opposed say "no".

NOES: NONE.

CHAIR WHITE: Measure passes with nine "ayes", zero "noes".

Mr. Victorino.

COUNCILMEMBER VICTORINO: Thank you, Mr. Chair.

NOW, I MOVE TO ADOPT THE PROPOSED RESOLUTION  
ENTITLED AN "APPOINTMENT OF A MEMBER TO THE  
HANA ADVISORY COMMITTEE", AND THE FILING OF  
COUNTY COMMUNICATION 16-94.

COUNCILMEMBER CARROLL:

SECOND.

CHAIR WHITE: We have a motion from Mr. Victorino and a second from Mr. Carroll. Does that include filing?

COUNCILMEMBER COUCH: Yea. Yea.

COUNCILMEMBER VICTORINO: No, not yet Chair. I have one more, I have one more--

COUNCILMEMBER COUCH: You said.

COUNCILMEMBER VICTORINO: --motion that I need to make.

COUNCILMEMBER COUCH: Mr. Chair, clarification. He did say file so, is the motion for filing or not?

COUNCILMEMBER VICTORINO: Well, filing, oh I'm sorry, yes. I'm sorry, Mr. Chair, sorry.

CHAIR WHITE: Okay. Members, any further discussion?

Mr. Carroll.

COUNCILMEMBER CARROLL: Yes, Chair. When we had Lehua up here giving testimony, I didn't want to make any comment at that time. But, now is the appropriate time and I am so happy that she is before us today. She has been with the community, and she has given her, her life and a lot of her family's time and sacrifice in serving the community. And, I can think no one better for this position than her. And, I thank her for applying and coming, and I ask for the Council's support. Thank you.

CHAIR WHITE: I would totally agree with your assessment of Ms. Cosma. She's a wonderful, wonderful lady.

COUNCILMEMBER VICTORINO: Mr. Chair.

CHAIR WHITE: Members, any further discussion?

Mr. Victorino.

COUNCILMEMBER VICTORINO: I now have to move to amend.

I MOVE TO AMEND THE PROPOSED RESOLUTION BY  
PLACING THE NAME OF ANDREA LEILANI [S/C] COSMA,  
LEILU, LEI, YOU GUYS HAVE CONFUSED ME SO MUCH, I'M  
ALL CONFUSED ALREADY, LEHUANANI COSMA TO  
EXHIBIT "B" FOR APPROVAL.

COUNCILMEMBER CARROLL:

SECOND.

CHAIR WHITE: We have a motion from Mr. Victorino and a second from Mr. Carroll.

Mr. Victorino.

COUNCILMEMBER VICTORINO: Well, Mr. Carroll addressed it very well. I need not add anything more. I agree with him wholeheartedly.

I'm sorry about the confusion, because it's, it's been a confusing day this, this, this morning. So, I apologize for that.

But, thank you, Mr. Chair. And, I hope the Council will support the motion.

CHAIR WHITE: Voting on the amendment. Members, any further discussion? Seeing none, any, those in favor please signify by saying "aye".

AYES: COUNCILMEMBERS BAISA, CARROLL,  
COCHRAN, COUCH, CRIVELLO, HOKAMA,  
VICTORINO, VICE-CHAIR GUZMAN, AND CHAIR  
WHITE.

CHAIR WHITE: Those opposed say "no".

NOES: NONE.

CHAIR WHITE: Measure passes with nine "ayes", zero "noes".

COUNCILMEMBER VICTORINO: Thank you, Mr. Chair. Thank you, Council.

CHAIR WHITE: Aren't we back to the main motion?

COUNCILMEMBER COUCH: Main motion.

COUNCILMEMBER VICTORINO: No, no other discussion.

CHAIR WHITE: Okay, back to the main motion. All those in favor please signify by saying "aye".

AYES: COUNCILMEMBERS BAISA, CARROLL,  
COCHRAN, COUCH, CRIVELLO, HOKAMA,  
VICTORINO, VICE-CHAIR GUZMAN, AND CHAIR  
WHITE.

CHAIR WHITE: Those opposed say "no".

NOES: NONE.

CHAIR WHITE: Measure passes with nine "ayes", zero "noes".

Members, going back to Communication 16-93, without objection, we will add the filing of the communication to the motion, without objection.

MEMBERS VOICED NO OBJECTION.

CHAIR WHITE: Okay, thank you.

Mr. Clerk.

COUNTY CLERK: For the record, RESOLUTION 16-78.

NO. 16-95 - ROBERT CARROLL, COUNCILMEMBER,  
(dated May 11, 2016)

Transmitting a proposed amendment to Bill No. 43 (2016), Draft 1, entitled "A BILL FOR AN ORDINANCE AMENDING THE COMPREHENSIVE ZONING ORDINANCE RELATING TO SHORT-TERM RENTAL HOMES."

CHAIR WHITE: Mr. Carroll.



COUNCILMEMBER CARROLL: Thank you, Chair. May I request that County Communication 16-95 be moved to "Unfinished Business" to be discussed immediately after Bill No. 43, Draft 1, is called and the postponed motion is recognized by the Chair.

CHAIR WHITE: Members, any objections?

MEMBERS VOICED NO OBJECTION.

CHAIR WHITE: Okay, so, so ordered.

Thank you, Mr. Carroll.

*(See pages 59 through 68 for discussion and action.)*

CHAIR WHITE: Mr. Clerk.

COUNTY CLERK: Mr. Chair, the following communications are being recommended to the following Committees as noted:

NO. 16-96 - DANILO F. AGSALOG, DIRECTOR OF FINANCE,  
(dated May 9, 2016)

Transmitting the Finance Director's Quarterly Report for Fiscal Year July 1, 2015 to June 30, 2016 as of March 31, 2016 and the Capital Improvement Project as of March 31, 2016.

The recommended action is that County Communication No. 16-96 be referred to the Budget and Finance Committee.

NO. 16-97 - GLADYS C. BAISA, COUNCILMEMBER,  
(dated May 11, 2016)

Transmitting a proposed resolution entitled "REFERRING TO THE MAUI PLANNING COMMISSION A PROPOSED BILL TO CHANGE THE WEST MAUI COMMUNITY PLAN DESIGNATION FROM PARK TO BUSINESS AND A PROPOSED BILL TO CHANGE ZONING FROM PK GENERAL PARK DISTRICT TO B-2 COMMUNITY BUSINESS DISTRICT FOR PROPERTIES SITUATED AT TAX MAP

KEYS (2) 4-4-001:010 (POR.) AND (2) 4-4-014:006 (POR.), LAHAINA, MAUI, HAWAII".

The recommended action is that County Communication No. 16-97 be referred to the Land Use Committee.

NO. 16-98 - WILLIAM SPENCE, PLANNING DIRECTOR,  
(dated May 4, 2016)

Transmitting the following:

1. A draft bill entitled "A BILL FOR AN ORDINANCE AMENDING SECTION 2.80B.070, MAUI COUNTY CODE, TO ADOPT THE UPDATED MOLOKAI COMMUNITY PLAN";
2. Exhibit 1: "MOLOKA'I COMMUNITY PLAN UPDATE, PLANNING DEPARTMENT/CPAC/MOLOKAI PC DRAFT, MAY 2016" including "CHAPTER 11, SUBAREA DESCRIPTIONS, EAST END POLICY STATEMENT - 2016 EDITION, MAUNALOA POLICY";
3. Key Differences between CPAC and Molokai Planning Commission Recommendations; and
4. Agency Recommendations.

The recommended action is that County Communication No. 16-98 be referred to the Planning Committee.

CHAIR WHITE: Thank you, Mr. Clerk. Members, are there any objections to the referrals as read by the Clerk?

MEMBERS VOICED NO OBJECTION.

CHAIR WHITE: Thank you. So ordered.

Mr. Clerk,

COUNTY CLERK: Mr. Chair, proceeding with the general communication.

## GENERAL COMMUNICATIONS

NO. 16-2 - CHARLES JENCKS, HONUA`ULA PARTNERS, LLC,  
(dated April 26, 2016)

Submitting an annual compliance report in accordance with Condition 29 of Ordinance No. 3554, establishing Kihei-Makena Project District 9 (Wailea 670) Conditional zoning for approximately 670 acres situated at Paehu, Palauea, Keauhou, Hawaii. (Honua`ula Project).

The recommended action is that General Communication No. 16-2 be referred to the Planning Committee.

CHAIR WHITE: Members, are there any objections to referring this to the Planning Committee?

MEMBERS VOICED NO OBJECTION.

CHAIR WHITE: So ordered.

Members, we're going to take a, a break and then be back in, at 10 minutes to 12.

(THE MEETING WAS RECESSED BY THE CHAIR AT 11:41 A.M., AND WAS RECONVENED AT 11:52 A.M., WITH ALL MEMBERS PRESENT.)

CHAIR WHITE: Members, we have a lot of work left to do. So, the Chair is going to recommend that we break now and come back at 1:00, instead of 1:30. We have, we will have to go into the Planning Committee mode at 1:30, and then recess that. So with that, we are in recess until 1:00.

(THE MEETING WAS RECESSED BY THE CHAIR AT 11:52 A.M., AND WAS RECONVENED AT 1:01 P.M., WITH ALL MEMBERS PRESENT.)

CHAIR WHITE: This meeting of the County Council will please come back to order.

Mr. Clerk, let's proceed with the remainder of the agenda.

COUNTY CLERK: Mr. Chair, proceeding with unfinished business.

## UNFINISHED BUSINESS

### ORDINANCES

ORDINANCE NO. \_\_\_\_\_  
BILL NO. 43 (2016)  
Draft 1

#### A BILL FOR AN ORDINANCE AMENDING THE COMPREHENSIVE ZONING ORDINANCE RELATING TO SHORT-TERM RENTAL HOMES

COUNTY CLERK: And Mr. Chair, as a reminder, there is a pending motion on the floor to pass Bill 43 on second and final reading.

CHAIR WHITE: Thank you, Mr. Clerk.

Mr. Couch.

COUNCILMEMBER COUCH: Thank you, Mr. Chair. My motion to pass Bill 43 (2016) on second and final reading was postponed at the Council meeting as of May 6, 2016, and remains pending.

Amendments made to Bill 43 at that meeting had been incorporated into the Bill posted on today's agenda, now referenced as Bill 43 (2016), Draft 1. Thank you.

CHAIR WHITE: Are, are you.

COUNCILMEMBER COUCH: I'm, I'm ready to, the, the motion is on the floor.

CHAIR WHITE: Oh okay. Okay, so we have a motion on the floor.

COUNCILMEMBER VICTORINO: Second.

COUNCILMEMBER COUCH: No, we already.

COUNCILMEMBER VICTORINO: Oh, there was one.

COUNCILMEMBER COUCH: There's a motion from last meeting.

COUNCILMEMBER VICTORINO: From last meeting, okay.

COUNCILMEMBER COUCH: And, I'm pau with discussion. Thank you.

CHAIR WHITE: And the, the amendments have all been voted on previously.

COUNCILMEMBER COUCH: All, for the, in the last meeting, yes.

CHAIR WHITE: Okay. Okay, so, Mr. Clerk, will you please call up County Communication 16-95?

**DISCUSSION AND ACTION RELATING TO  
COUNTY COMMUNICATION NO. 16-95**

NO. 16-95 - ROBERT CARROLL, COUNCILMEMBER,  
(dated May 11, 2016)

Transmitting a proposed amendment to Bill No. 43 (2016), Draft 1, entitled "A BILL FOR AN ORDINANCE AMENDING THE COMPREHENSIVE ZONING ORDINANCE RELATING TO SHORT-TERM RENTAL HOMES."

CHAIR WHITE: Mr. Carroll.

COUNCILMEMBER CARROLL: Thank you, Chair.

I MOVE TO AMEND BILL 43 (2016), DRAFT 1, SECTION 19.65.030(O), AS REFLECTED IN RAMSEYER FORMAT ON THE AMENDED SUMMARY FORM ATTACHED TO COUNTY COMMUNICATION 16-95, AND TO FILE COUNTY COMMUNICATION 16-95.

COUNCILMEMBER VICTORINO:

MR. CHAIR, I SECOND THE MOTION.

CHAIR WHITE: We have a motion from Mr. Carroll, with a second from Mr. Victorino.

Mr. Carroll.



COUNCILMEMBER CARROLL: Thank you, Chair. My proposed amendment, excuse me, to Section 19.65.030(O), will require applicants to own property for at least five years before applying for a short-term rental home permit on that, for that property.

Adding, "and have been owned by the applicant" language will discourage investors from speculating with long-term housing properties by purchasing and immediately converting them to short-term rental use.

The amendment will allow for two exceptions to this requirement. First, it provides an exception for properties that had short-term rental home permit within three years of the date of purchase. This will take into account properties that are already been vetted as appropriate for short-term rental use by applying for and obtaining a permit.

Although permits are not transferrable, the exception set forth in Section 19.65.030(O)(2), will allow a new owner to apply for a permit without waiting for five years. The former owner's permit must have been valid within the previous three years which coincides with the permitting period specified in Bill 43.

Second, the amendment provides an exception for dwelling units that are at least five years old for which an application for a short-term rental home permit is submitted before the end of the calendar year. This second exemption provides a reasonable period of time for owners to submit or complete applications before the five-year property ownership restriction goes into effect, December 31, 2016. That's the cutoff date, was chosen for the reason that it corresponds with a new grace period established by Bill 43. The justification for the amendment is to curb speculation in housing.

At present, the ordinance prevents somebody from building a new home with the intention of operating a short-term rental home right away. Homes must be at least five years old at the time of the application for a short-term rental home permit.

The unintended consequence of the ordinance has been to encourage investors to purchase older homes, and then to immediately apply for a permit. Often, these older homes are more affordable to our long-term residents. Investors buying existing properties renovate them to standards that tourists prefer, and then rent them out on a short-term basis.

Requiring applicants to own a home for five years before they apply for a short-term rental home permit should help discourage speculation and keep the long-term housing County needs.

I respectfully ask for the Council's support.

This, there is a lot of testimony on both sides. I see this as a policy that the County, the Council needs to make. If we continue on the way we are, we are going to encourage more vacation rental homes, TVR's. We need to go over there and to make it where our people come first. If our people don't come first, it's a downhill swing all the way.

I know there are concerns. I feel we've addressed them. This does not penalize any short-term TVR owner. They are not penalized in any way. They can sell. They can get full value for the home, because the person that buys it can convert it immediately. I think it's only, the, this bill is only, the only thing that I can see, that we can get a real handle on having some control of what we have in our County, and acquiring housing for our people, or making sure, literally, that the housing doesn't disappear that our people need.

They say right now it's not too bad. I disagree. And, that's because we have so many illegal ones outside there. Now, we hope to make those illegal ones legal. Now, if you're going to put all them in the mix, the percentage really goes higher. And, in theory, when we have that period of time where they can come forward, well, it would be foolish not to if they want to continue operating. Then we're going to have an awful lot of TVR's on Maui, if they all come out. Cause we know there's a substantial number. I won't give any figures, but we've all heard extremely high numbers of how many illegal TVR's we have.

I would hope that this will make Maui a better place. It'll take care of our people. And, it does not penalize anyone. Thank you, Chair.

CHAIR WHITE: Thank you, Mr. Carroll.

Mr. Couch.

COUNCILMEMBER COUCH: Thank you, Mr. Chair. And, I understand Mr. Carroll's concern for bringing up, reasons for bringing up this amendment. I just wanted to say that three years ago is when we put in the five-year construction thing. And, we discussed other issues at this, at that time. This wasn't brought up. We've had 11 meetings on this bill in the last year and a half. This hasn't been brought up.

To have it be brought up at the second and final reading, with minimal discussion on the floor, this subject needs to be discussed more than at this Council level. As you heard, some testimony, this, this has nothing to do with the illegals. There are

illegals out there. We need to get the Department to enforce harder on the illegals. They've been doing a good job so far, but they need to step it up again.

Whether this bill, this amendment passes or not, it's not going to affect the illegals. The Department has to deal with the enforcement on that.

Right now, in Hana District, there are nine permits left. So, this bill, if, if Mr. Carroll has an issue in Hana, there's only nine permits left for Hana. So, at the most, this would affect nine homes.

As you heard by a testifier in Hana, of the 12 homes he's sold last, in the last I forgot how long he said it was, only one which was a high-end one went to short-term rentals. Everybody else was either long-term or not, nobody's living in it full-time.

And, you also heard that, about short-term rental homes take up about .5 percent of the houses that are built here on Maui, .5 percent, one in 195 homes.

And, another testifier hit it right on the head. The issue with affordable housing and affordable homes is we don't have enough houses right now. We need to get those houses built.

So, I can't support this amendment unless we have extensive discussion in Committee. Thank you.

COUNCILMEMBER VICTORINO: Mr. Chair.

CHAIR WHITE: Mr. Carroll, I recall during our last meeting that part of the postponement was in order to get the Department's input and response to the, the impacts of your amendment. Were you able to get a, a reading from the Department?

COUNCILMEMBER CARROLL: No I wasn't, Chair.

CHAIR WHITE: Mr. Couch, do you know, were you able to get any information from the Department?

COUNCILMEMBER COUCH: They have not sent me anything.

CHAIR WHITE: Thank you. Okay, thank you.

Ms. Baisa.

COUNCILMEMBER VICTORINO: Mr. Chair.

COUNCILMEMBER BAISA: Yes, thank you very much, Chair. Chair, I, I'll be straight up front, I will not be in support of the amendment. I understand the concern, and I share the concern of everyone who is under the impression that our short-term rentals are, you know, the reason why we have a housing crisis. I don't believe that. I think it may be a little factor.

But, I think the biggest problem we have is that we don't have an inventory. And, that's where I'd like to put my efforts, in trying to figure out how to get houses built. And, I'm really excited because it seems like this whole Council is trying really hard to get homes built. And, I think that's the best solution we can come up with.

But, if this continues to be a concern, and there is feeling that, you know, there's some merit, then I have no problem with, this becoming a committee item later on. But, I really would not like to derail the movement of this bill today. I think we've worked hard and long on it, and I'm very comfortable in moving it forward. Thank you.

CHAIR WHITE: Thank you, Ms. Baisa.

COUNCILMEMBER VICTORINO: Chair.

CHAIR WHITE: Mr. Victorino.

COUNCILMEMBER VICTORINO: Thank you. And, I, I concur with Ms. Baisa and Mr. Couch. But, I wanted to make one correction, Mr. Couch. It wasn't houses built, it was total sales. It was nothing to do with building of homes, it was actually total sales. And, and, I have the form right in front of me. If you look at it, it said total sales, not total houses built. Cause we haven't been building a 1,000 or 1400 houses a year.

Anyhow, so with that being said, Mr. Chair, I, I, I kind of concur that this may be a, a bad time to put something in like this without really looking at the ramifications. Again, I don't think when a house sells they're being sold specifically for TVR's. And, then we did also put limitations on the number of TVR's each community could have; both short-term rentals, B&B's, and TVR's. So, again, what happened to that?

I mean, I thought that was one of the rationales we used so that places like Wailuku and Kahului, they were not even 20, I think, total with the aspect that these were areas that we did not want to see short-term rentals or B&B's being utilized.



Whereas in other areas, Kihei and other areas where it's more prevalent, higher numbers were allowed. But, was 400 the max, I think, in both areas if I recall correctly. If I stand corrected, if I'm wrong, I apology.

But, so at this point I cannot support this amendment. Thank you, Mr. Chair.

CHAIR WHITE: Thank you.

Members, any further discussion?

COUNCILMEMBER COCHRAN: Chair.

CHAIR WHITE: Ms. Cochran.

COUNCILMEMBER COCHRAN: Thank you, Chair. And, so am I to understand that this amendment right now is substantial enough that it would have to be put back into Committee? Or, is that what Mr. Couch was saying, or?

CHAIR WHITE: No, if, if, I believe if we make the amendment today, we would have to postpone.

COUNCILMEMBER COCHRAN: Sorry.

CHAIR WHITE: Okay, let Mr. Couch.

COUNCILMEMBER COCHRAN: Okay.

CHAIR WHITE: Go ahead and, and finish your thought or your comments.

COUNCILMEMBER COCHRAN: No, I, I just, yea, had that question, initially.

CHAIR WHITE: Mr. Couch.

COUNCILMEMBER COUCH: Thank you, Mr. Chair. This, this, it's up to the Chair and this Council whether or not to refer it back to Committee. As far as the significance of this, our Rule 19(C) allows for us to pass this bill. If we make the amendment today, we can pass it today, because that amendment was posted.

CHAIR WHITE: Oh that's, that's correct. Thank you.



COUNCILMEMBER COCHRAN: Okay. Okay, well very good.

And, you know, and I, as we all know this subject matter and how I feel about it. But, I was browsing through this "Unite Here! Local 5" study that they did, had done. I'm not sure if anyone else had a chance to glance over it. But, they make some good points in regards to what short-term rentals do, and affect affordable housing. And, you know, I feel that the, they're very valid points. And basically, saying that it puts a squeeze on just supply and demand.

So, the more these flip into some type of rental, short-term rental use, the existing, you know, they, now there's a bigger demand so thus they can raise the prices that much higher and what have you. So, you know, I understand there's a lot of illegals out there and we're really harping on Department to get a grip on that.

But, in the meantime, I think Mr. Carroll's amendment is trying to at least put some kind of pressure in that leaking dyke that needs to happen. So, I'm going to support Mr. Carroll on this. And, thank you for that time, Chair.

CHAIR WHITE: Thank you.

The Chair's feeling is that I would be, I, I agree with the sentiment of the amendment because I, I think there's a, there is a concern that we're, we're not allowing as much affordable housing to be available for rentals as we, as we should be.

At the same time, the Chair's concern last week was to get a, a response from the Department that could provide us an understanding of the true impacts. And, you know, we don't have all the information that they have. The fact that we have not gotten any information forwarded to us makes me a little uncomfortable moving ahead with this, even though I, I agree in concept. But, I'd just like to be a little more cautious.

So, the Chair would be comfortable if Mr. Couch would take it up in, in Committee. But, I, I'm having a tough time supporting it right now because I, I'd like to know what the impacts are and what the, what some of the additional facts are. And, the numbers that Mr. Victorino read off, I think, give me pause to point just to this issue as the cause of the lack of affordable housing rentals.

So, Mr. Couch.

COUNCILMEMBER COUCH: Thank you, Mr. Chair. And, and as I committed to last meeting, I would be happy to bring that up at our next available meeting, which is fairly soon. But, and discuss this as a separate amendment. That's what I thought we left the last meeting with, and then we got this anyway. So, I'm, but I'd be happy to bring it up, if it doesn't pass today.

CHAIR WHITE: Okay. Any further discussion, Members?

COUNCILMEMBER VICTORINO: Chair.

CHAIR WHITE: Mr. Victorino.

COUNCILMEMBER VICTORINO: As I stated earlier, I would, I would like more discussion on it. And, I would, if Mr. Couch is willing to take it up, more than happy to be a part of and look at the whole picture. Again, I agree with what you're saying as far as the area of perception. A lot of people out there believe this to be the major root of the problem, but it is not. And, they need to see the whole picture, and I think discussion in that area would make it very, make it more aware prone to the public at large. So, thank you, Mr. Chair.

CHAIR WHITE: Thank you.

Any further discussion? Ready for the question? All those in favor, please signify by saying "aye".

AYES: COUNCILMEMBERS CARROLL AND COCHRAN,

CHAIR WHITE: Those opposed say "no".

NOES: COUNCILMEMBERS BAISA, COUCH, CRIVELLO,  
HOKAMA, VICTORINO, VICE-CHAIR GUZMAN,  
AND CHAIR WHITE.

CHAIR WHITE: Okay, I counted two, two "ayes".

COUNTY CLERK: Two "ayes", seven, seven "noes".

CHAIR WHITE: Okay, fine.

Mr. Clerk.

The measure, measure fails. But, thank you very much, Mr. Carroll for bringing it up, because it is something we need to get our arms around.

Mr. Clerk.

COUNCILMEMBER COUCH: Mr. Chair.

CHAIR WHITE: Mr. Couch.

COUNCILMEMBER COUCH: Thank you. Members, and I, and I do commit to bringing that up. But, I think it's June 2 meeting or something like that, I'll bring that up as well.

But, we still have a motion on the floor for the bill that we've been working on for 11 meetings, a year and a half. It's a good bill which greatly improves upon the short-term rental home permitting process. Still not as good as we'd like it, because we still got to deal with more enforcement issues, and there are some issues on getting the permit quickly as opposed to going through yet another process.

I'm proud of the hard work that your, the whole Committee has done. And, appreciate the stuff that you have done, and the Members patience for allowing additional revisions to be made by the Council. I urge the bill's passage at this time. And, we don't have to deal with Rule, Rule 19(C).

CHAIR WHITE: Members, any further discussion on the main motion? Seeing none, all those in favor please signify by saying "aye".

AYES: COUNCILMEMBERS BAISA, CARROLL,  
COCHRAN, COUCH, CRIVELLO, HOKAMA,  
VICTORINO, VICE-CHAIR GUZMAN, AND CHAIR  
WHITE.

CHAIR WHITE: Those opposed say "no".

NOES: NONE.

CHAIR WHITE: Measure passes with nine "ayes", zero "noes".

Mr. Clerk.

COUNTY CLERK: Mr. Chair, may I have a minute please?

CHAIR WHITE: Yes. Recess.

(THE MEETING WAS RECESSED BY THE CHAIR AT 1:21 P.M., AND WAS RECONVENED AT 11:22 P.M., WITH ALL MEMBERS PRESENT.)

CHAIR WHITE: This meeting will come back to order.

Members, we need to either file the communication or refer it to Committee. So, without objections, we'll refer it to Committee.

MEMBERS VOICED NO OBJECTION.

CHAIR WHITE: Thank you.

Okay, Mr. Clerk.

The recommended action is that County Communication No. 16-95 be referred to the Planning Committee.

**DISCUSSION AND ACTION RELATING TO  
COUNTY COMMUNICATION NO. 16-92**

COUNTY CLERK: Thank you, Mr. Chair. Mr. Chair, we still have County Communication 16-92.

NO. 16-92 - RIKI HOKAMA, CHAIR, BUDGET AND FINANCE COMMITTEE,  
(dated May 3, 2016)

Transmitting a proposed resolution entitled "ADOPTING THE FUEL TAX RATES FOR THE COUNTY OF MAUI, EFFECTIVE JULY 1, 2016".

CHAIR WHITE: Mr. Hokama.

COUNCILMEMBER HOKAMA: My apologies, Mr. Chairman.

Are we on 16-92, Mr. Clerk?

CHAIR WHITE: Yes.

COUNCILMEMBER HOKAMA: Thank you.

CHAIRMAN, I MOVE TO DISCHARGE THE BUDGET AND  
FINANCE COMMITTEE FROM FURTHER CONSIDERATION  
OF THE PROPOSED RESOLUTION ATTACHED TO COUNTY  
COMMUNICATION 16-92.

COUNCILMEMBER VICTORINO:

SECOND, MR. CHAIR.

CHAIR WHITE: We have a motion from Mr. Hokama, with a second from Mr. Victorino.

Mr. Hokama.

COUNCILMEMBER HOKAMA: Chairman, this matter relates to a proposed fuel tax rates for the County of Maui, effective July 1, 2016.

Your Committee discussed the proposed fuel tax rates during budget deliberations, but deferred a recommendation on the proposed resolution.

This Council had a public hearing on fuel tax rates on May 13, 2016, pursuant to Section 243-5 of the Hawaii Revised Statutes, and Section 3.20.010 of the Maui County Code.

I'm requesting that the, your Committee be further discharged from consideration of the proposed resolution to enable the Council to take action on it this afternoon. Thank you.

CHAIR WHITE: Thank you, Mr. Hokama.

Discussion, Members? Oh, I'm sorry, discussion on the, on the discharge? Seeing none, all those in favor please signify by saying "aye".

AYES: COUNCILMEMBERS BAISA, CARROLL,  
COCHRAN, COUCH, CRIVELLO, HOKAMA,  
VICTORINO, VICE-CHAIR GUZMAN, AND CHAIR  
WHITE.

CHAIR WHITE: Those opposed say "no".

NOES: NONE.

CHAIR WHITE: Measure passes with nine "ayes" and zero "noes".

Mr. Hokama.

COUNCILMEMBER HOKAMA:

CHAIRMAN, I MOVE TO WAIVE THE REQUIREMENTS OF  
COMMITTEE REFERRAL AND REPORT AS PROVIDED BY  
RULE 7(E) OF THE RULES OF THE COUNCIL.

COUNCILMEMBER VICTORINO:

MR. CHAIR, I SECOND THE MOTION.

CHAIR WHITE: We have a motion from Mr. Hokama and a second from Mr. Victorino.

Mr. Hokama.

COUNCILMEMBER HOKAMA: Chairman, approval of the motion will allow Council to take  
action this afternoon.

CHAIR WHITE: Thank you.

Members, any discussion on the waiver? Seeing none, all those in favor please  
signify by saying "aye".

AYES: COUNCILMEMBERS BAISA, CARROLL,  
COCHRAN, COUCH, CRIVELLO, HOKAMA,  
VICTORINO, VICE-CHAIR GUZMAN, AND CHAIR  
WHITE.

CHAIR WHITE: Those opposed say "no".

NOES: NONE.

CHAIR WHITE: Measure passes with nine "ayes" and zero "noes".

Mr. Hokama.



COUNCILMEMBER HOKAMA:

CHAIRMAN, I MOVE THAT THE PROPOSED RESOLUTION,  
ENTITLED "ADOPTING THE FUEL TAX RATES FOR THE  
COUNTY OF MAUI, EFFECTIVE JULY 1, 2016" BE ADOPTED,  
AND COUNTY COMMUNICATION 16-92 BE FILED.

COUNCILMEMBER VICTORINO:

MR. CHAIR, I SECOND THE MOTION.

CHAIR WHITE: We have a motion from Mr. Hokama, with a second from Mr. Victorino.

Mr. Hokama.

COUNCILMEMBER HOKAMA: Chairman, I believe there's some amendments that would like to be considered for proposal. So, I'll refrain from my comments on the main motion at this time.

CHAIR WHITE: Thank you.

Mr. Guzman.

VICE-CHAIR GUZMAN: Thank you, Chair.

I'D LIKE TO MOVE TO AMEND THE PROPOSED  
RESOLUTION BY REDUCING THE PROPOSED BIODIESEL  
TAX RATE TO \$0.000 PER GALLON.

COUNCILMEMBER COUCH:

SECOND.

CHAIR WHITE: We have a motion from Mr. Guzman and a second from Mr. Couch.

Mr. Guzman.

VICE-CHAIR GUZMAN: Thank you, Chair. I'd like to refer the Members to my proposed Amendment Summary Form distributed at today's meeting.

The reason for the amendment is to promote the use of the biodiesel as an environmentally conscious fuel alternative by reducing the biodiesel tax rate per gallon to zero. This will help consumers to save money at the pump, and provide an incentive to favor biodiesel.

The Budget Director indicated that the reduction in the estimated revenue resulting from the proposed amendment is approximately 48,500.

If the proposed amendment passes, to offset the decrease in revenues, I will make a motion to amend the budget, the Budget bill to: 1) decrease Estimated Revenues by 48,500 for Fuel and Franchise Taxes; and 2) decrease Department of Public Works, Road, Bridge, and Drainage Maintenance Program - Highway Fund, Category B, by 48,500.

We heard from a couple testifiers regarding the biodiesel incentive, to at least promote this type of alternative use of energy. We do have, this is almost analogist to the electric vehicles, wherein we don't have a, a tax on them. And, I'd rather see that once we have something in place for the electric vehicles, we then place some type of accommodated or at least equal amount of, I guess, taxes on the biodiesel, that would be comparable to the use of the electric vehicles as well.

This is also would promote our own use of, and production, of our fuels here in the State of Hawaii, instead of importing that, the fossil fuels from abroad or out of State. We did hear from Mr. King, from the biodiesel company, that they are manufacturing or growing the crop, the crops that are using the biodiesel in Big Island. At least it's a step in the right direction in trying to focus on products or fuels that are made here in Maui, or produced, excuse me, made and produced in Hawaii. So, thank you, Chair.

CHAIR WHITE: Thank you, Mr. Guzman.

Members, any further discussion?

Mr. Couch, followed by Mr. Hokama.

COUNCILMEMBER COUCH: Thank you, Mr. Chair. And thank you, Mr. Guzman for this amendment.

I, I will support it with reservations. And, the reservations, I think Mr. Guzman discussed or that we don't have a way the, these vehicles use the roads as well. But, so do electric vehicles, and hybrid vehicles, and plug-in hybrids, like a vehicle which I have.

So, we do need a way, and I'm hoping that in the, I believe there is an item referred from this budget to the proper Committee that we discuss this and, and come up with a way to be able to come up with a fair-use tax, now that we have more than just gasoline and fossil fuels; a fair-use tax for the roads, cause that's what pays for our roads.

I, you know, I don't feel good about taking out 48,500 from the road repair, but as Mr. Guzman said, with the closing of HC&S, we have a lot of acreage now that we can potentially grow fuel, plants that can be converted into biofuels. So, the more we encourage biodiesel and biofuels, I think the better, and I think this is a method to help encourage it. Thank you.

CHAIR WHITE: Thank you, Mr. Couch.

Mr. Hokama.

COUNCILMEMBER HOKAMA: Chairman, thank you. I'll speak against the motion. I find it interesting when Council decided to go to nine cents, there was no discussion against the proposal. And, as we've heard, you know, the current, I guess, difference in the price is one dollar, more than a dollar. That, to me, is the bigger determination on whether or not someone, a company or individual buys this fuel. It's not going to be the two cents that we are proposing to increase, to me, make the determination of whether to buy or not buy.

Council has learned from past experience, every time we've reduced fuel tax, the price at the pumps were never adjusted accordingly. So, the consumer had no savings. The County had less revenues for road projects, drainage projects, bridge projects. But it never made the difference at the pump price.

And so, you know, you don't have to whack me on my head three times to know that, if we, we pass this, we're not going to see a difference at the rates at the pumps. And, that's just less revenue for us to do what we need to do in investment and infrastructure. Thank you.

CHAIR WHITE: Further discussion, Members?

Ms. Baisa.

COUNCILMEMBER BAISA: Yes, thank you very much, Chair. Chair, I'm going to be supporting the motion. I think that it's very important that we lend our support too, and it may take monetary support in finding fuels that are renewable. Because, you know, we are committed to this 100 percent goal, and we've got to get going here.

And, it isn't a large amount of money. However, I do agree that we might want to take it, take a real good look at an alternative so that we make some kind of a fair assessment. And, we can do that in another, in another venue. Thank you.

CHAIR WHITE: Further discussion?

Ms. Cochran.

COUNCILMEMBER COCHRAN: Thank you, Chair. And, I thank Councilmember Guzman for proposing this. And, I recall having the Pacific Biodiesel folks here on a panel, one of my Committees. And, it was stated at that time that only 17 acres was needed in order to supply the entire Maui County needs for diesel.

And, so hearing the, you know, the HC&S's closure and all this ag lands, hopefully opening up for different kind of uses such as this, I think this is appropriate for us to show where our, you know, our support lies.

And so, I'm in support of this. But, hopefully, and I, but I hear Mr. Hokama's point too, and infrastructure we need. And, we need to find funds in order to support that. So, hopefully this isn't, you know, maybe if we end up putting a little more tax on it at one time, then you know, there's not going to be such a big outcry. But to be fair across the board in all types of fuels, but, this one in particular, I think we can really set off a good, get off on a good foot in becoming sustainable, and not have to ship in and rely on the outside.

So, I support this motion here today. Thank you, Chair.

CHAIR WHITE: Further discussion, Members?

The, the Chair's a little concerned with this because as much as we want to support alternative energy, these vehicles do use our roads like electric vehicles and, and gas-fueled vehicles. And, the gas-fueled vehicles will be paying twice as much at the, at the proposed level of eleven and a half cents.

We also have had significant discussions about putting a, a fee on electric vehicles so that they are paying the equivalent of, at least I believe if I'm remembering the discussion correctly, it was to provide an equivalency between electrical vehicles and the gas tax, not biodiesel. So, I, I kind of feel like we're talking out of two sides of our mouth here, because we're wanting to reduce biodiesel and yet we've had significant discussions of how to increase or to provide a fee equivalent to a gas tax amount to,

to the electric vehicles. So, you know, this is, we got two, two versions of, you know, of alternate fuel for vehicles.

I have a, I also have a concern similar to Mr. Hokama's, where if we pass this, it's unlikely that it's going to get passed onto the consumer. We didn't hear anything that would indicate that prices would be reduced by, by nine cents if we go from the current nine down to zero.

So, I have a, I have a difficult time with that justification even though we all are very much in support of, of providing support for alternative energy. If we're going to do it, we need to do it in a consistent way, and I don't think we have that consistency right now. So, until we have a level of consistency, I'm not, not terribly comfortable supporting an action today of, of this degree where we don't really know how we're going to manage the others.

Ms. Baisa.

COUNCILMEMBER BAISA: Chair, I just have a suggestion. You know, we're asking for a total removal of the cost. I'm wondering if the maker of the motion would be interested in, maybe, lowering that to a part of it?

CHAIR WHITE: Mr. Guzman.

VICE-CHAIR GUZMAN: Chair, at this time I'd like to stand on my motion. I do have alternative motions if in fact this one fails.

CHAIR WHITE: Okay. Were you able to hear him?

COUNCILMEMBER BAISA: Yes.

CHAIR WHITE: Okay, thank you. Any further discussion on this motion, Members?

Ms. Crivello.

COUNCILMEMBER CRIVELLO: Thank you. I, I can appreciate the, the renewable energy process for us to cut down on our pollutions and what have you. And, but I, I have to agree that, you know, this has come before Committee first of all, and we should have vetted this all at that time. But more so, I think, you know, if we're holding others who uses our roadways and what have you because of what we need to contribute, I, I don't think this is such a big amount that we're, we're adding to the biodiesel use. So, I cannot support the motion at this time.



CHAIR WHITE: Okay, thank you.

Any further discussion, Members?

Ms. Baisa.

COUNCILMEMBER BAISA: I am, I am aware of the fact that we're in Council meeting, I'm watching how much I talk. But, it's my understanding that the last time that Pacific Biodiesel had a break, they did lower their prices immediately. And, they did say that they would do it again if we did this, if we gave them the break.

CHAIR WHITE: Okay. Thank you.

Members, any further discussion? Seeing none, all those in favor of the motion please signify by saying "aye".

VICE-CHAIR GUZMAN: Aye.

COUNCILMEMBER COCHRAN: Aye.

COUNCILMEMBER BAISA: Aye.

CHAIR WHITE: Those opposed say "no".

COUNCILMEMBER HOKAMA: No.

COUNCILMEMBER CRIVELLO: No.

CHAIR WHITE: Roll call, please Clerk.

COUNTY CLERK: Councilmember Robert Carroll.

COUNCILMEMBER CARROLL: Thank you, Chair, excuse me.

CHAIR WHITE: This is the vote. The vote on the biodiesel.

COUNCILMEMBER CARROLL: I'm sorry.

CHAIR WHITE: We're, we're voting on the biodiesel amendment.



COUNCILMEMBER CARROLL: Yea, oh, I'm sorry. That, we have too, too many amendments over here, we can't even keep track of them anymore.

AYE.

COUNTY CLERK: Gladys Coelho Baisa.

COUNCILMEMBER BAISA: AYE.

COUNTY CLERK: Elle Cochran.

COUNCILMEMBER COCHRAN: AYE.

COUNTY CLERK: Don Couch.

COUNCILMEMBER COUCH: AYE.

COUNTY CLERK: Stacy Crivello.

COUNCILMEMBER CRIVELLO: NO.

COUNTY CLERK: Riki Hokama.

COUNCILMEMBER HOKAMA: NO.

COUNTY CLERK: Council Pro Temp Michael P. Victorino.

COUNCILMEMBER VICTORINO: AYE.

COUNTY CLERK: Council Vice-Chair Don S. Guzman.

VICE-CHAIR GUZMAN: AYE.

COUNTY CLERK: Council Chair Mike White.

CHAIR WHITE: NO.

AYES: COUNCILMEMBERS BAISA, CARROLL,  
COCHRAN, COUCH, VICTORINO, AND  
VICE-CHAIR GUZMAN.

NOES: COUNCILMEMBERS CRIVELLO, HOKAMA, AND  
CHAIR WHITE.

COUNTY CLERK: Mr. Chair, six "ayes".

CHAIR WHITE: Measure passes.

COUNCILMEMBER COUCH: The amendment.

CHAIR WHITE: Now.

COUNCILMEMBER COUCH: It was the amendment.

COUNCILMEMBER COCHRAN: The amendment.

CHAIR WHITE: For the amendment, right.

COUNCILMEMBER HOKAMA: Point of order, Chairman. I prefer that you conduct this meeting than other Members. Thank you.

CHAIR WHITE: Thank you.

Okay, Mr. Clerk.

COUNTY CLERK: Mr. Chair, that was for the amendment.

CHAIR WHITE: Okay.

COUNTY CLERK: You still have a, you still have a motion on the floor.

Okay, we're back to Mr. Hokama.

COUNCILMEMBER HOKAMA: Chairman, I have another amendment as we have passed out prior to the start of the meeting. If the Members would take a look at that proposal, please. This is in regards to my amendment. Excuse me, Mr. Chairman, hold on one second.

CHAIR WHITE: Okay, we're going to take a quick recess.

(THE MEETING WAS RECESSED BY THE CHAIR AT 1:38 P.M., AND WAS RECONVENED AT 1:41 P.M., WITH ALL MEMBERS PRESENT.)

CHAIR WHITE: Just to confuse things, now this meeting is back in order, Council meeting. It's one of those little dances we have to do when we have posted meetings.

Okay, Members we are still on this item with respect to the fuel taxes.

So, we'll go back to Mr. Guzman.

VICE-CHAIR GUZMAN: Yea, thank you, Chair. On the, I move to decrease the Estimated Revenues, Fuel and Franchise Tax by 48,500, and to decrease the Department of Public Works, Road, Bridge, and Drainage Maintenance Program – Highway Fund. I think we're, I have to do this in Committee Report 16-84, when the FY 2017 Budget is called, Chair.

CHAIR WHITE: Mr. Hokama.

COUNCILMEMBER HOKAMA: Chairman, I would support Mr. Guzman's request. I think I gave you some bad advice, Chairman. The amendment regarding the decrease of now revenues, and now we have to make the appropriate adjustments in the operational budget document. That will come up when we take up Committee Report 16-84. Yea, so that would be the more appropriate time for Mr. Guzman's amendment. So, my apologies to you for the—

CHAIR WHITE: For both the revenues and the reduction in expenses?

COUNCILMEMBER HOKAMA: Yea, we're going to need to make the adjustments on that operating budget and not on this resolution. Thank you, Chairman.

CHAIR WHITE: Okay. Thank you.

VICE-CHAIR GUZMAN: Thank you, Chair.

CHAIR WHITE: Then we're, we're done with that issue, and moving to the main motion on the liquor or not liquor, fuel and, fuel tax rates.

Okay, Members, we're back to the main motion. Any further discussion? All those in favor of the motion please signify by saying "aye".

AYES: COUNCILMEMBERS BAISA, CARROLL,  
COCHRAN, COUCH, CRIVELLO, HOKAMA,  
VICTORINO, VICE-CHAIR GUZMAN, AND CHAIR  
WHITE.

CHAIR WHITE: Those opposed say "no".

NOES: NONE.

CHAIR WHITE: Measure passes with nine "ayes", zero "noes".

Mr. Clerk.

COUNTY CLERK: Mr. Chair, you have before you Committee Report No. 16-84 from the Budget and Finance Committee.

CHAIR WHITE: Thank you, Mr. Clerk.

Mr. Hokama.

COUNCILMEMBER HOKAMA: Chairman, I, guiding this, we're going to take some steps, Members and Mr. Chairman. So, with no objections, Mr. Chairman with you and the Members, I am going to request at this time, but since the Clerk has just called up Report 16-84, I will request that the Clerk call up the next 10 recommendations in the Committee Report up through and including recommendation 11.

CHAIR WHITE: Mr. Clerk.

COMMITTEE REPORT

NO. 16-84 - BUDGET AND FINANCE COMMITTEE:

Recommending the following:

1. That Bill 48 (2016), entitled "A BILL FOR AN ORDINANCE AUTHORIZING THE MAYOR OF THE COUNTY OF MAUI TO ENTER INTO INTERGOVERNMENTAL AGREEMENTS FOR LOANS FROM THE STATE OF HAWAII'S WATER POLLUTION CONTROL REVOLVING FUND FOR VARIOUS WASTEWATER PROJECTS, FISCAL YEAR 2017 BUDGET ORDINANCE," be PASSED ON FIRST READING and be ORDERED TO PRINT;
2. That Bill 49 (2016), entitled "A BILL FOR AN ORDINANCE AUTHORIZING THE MAYOR OF THE COUNTY OF MAUI TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT FOR A LOAN FROM THE STATE OF HAWAII'S DRINKING WATER TREATMENT REVOLVING LOAN FUND

FOR VARIOUS WATER PROJECTS, FISCAL YEAR 2017 BUDGET ORDINANCE," be PASSED ON FIRST READING and be ORDERED TO PRINT;

3. That Bill 50 (2016), entitled "A BILL FOR AN ORDINANCE AMENDING SECTION 18.24.010, MAUI COUNTY CODE, TO ELIMINATE THE CONSTRUCTION PLAN REVIEW REVOLVING FUND," be PASSED ON FIRST READING and be ORDERED TO PRINT;
4. That Bill 51 (2016), entitled "A BILL FOR AN ORDINANCE AMENDING CHAPTER 3.35, MAUI COUNTY CODE, RELATING TO THE AFFORDABLE HOUSING FUND," be PASSED ON FIRST READING and be ORDERED TO PRINT;
5. That Bill 52 (2016), entitled "A BILL FOR AN ORDINANCE TO REPEAL CHAPTER 14.29, MAUI COUNTY CODE, RELATING TO PUMPING OF CESSPOOLS AND SEPTIC TANKS," be PASSED ON FIRST READING and be ORDERED TO PRINT;
6. That Bill 53 (2016), entitled "A BILL FOR AN ORDINANCE RELATING TO THE HIGHWAY BEAUTIFICATION AND DISPOSAL OF ABANDONED VEHICLES REVOLVING FUND AND THE LITTER CONTROL REVOLVING FUND," be PASSED ON FIRST READING and be ORDERED TO PRINT;
7. That Bill 54 (2016), entitled "A BILL FOR AN ORDINANCE AMENDING SECTION 3.81.050, MAUI COUNTY CODE, TO EXTEND THE ECONOMIC DEVELOPMENT REVOLVING FUND," be PASSED ON FIRST READING and be ORDERED TO PRINT;
8. That Bill 55 (2016), entitled "A BILL FOR AN ORDINANCE REPEALING CHAPTER 3.97, MAUI COUNTY CODE, RELATING TO THE POST-EMPLOYMENT OBLIGATIONS FUND," be PASSED ON FIRST READING and BE ORDERED TO PRINT;
9. That Bill 56 (2016), entitled "A BILL FOR AN ORDINANCE AMENDING CHAPTER 3.48, MAUI COUNTY CODE, RELATING TO THE REAL PROPERTY TAX APPLICABLE TO REMNANT PARCELS," be PASSED ON FIRST READING and be ORDERED TO PRINT;
10. That Bill 57 (2016), entitled "A BILL FOR AN ORDINANCE AMENDING TITLE 3, MAUI COUNTY CODE, TO ESTABLISH A FIREWORKS AUDITOR FUND," be PASSED ON FIRST READING and be ORDERED TO PRINT;

11. That Bill 58 (2016), entitled "A BILL FOR AN ORDINANCE TO AMEND CHAPTER 13.16, MAUI COUNTY CODE, RELATING TO THE WAIIEHU MUNICIPAL GOLF COURSE," be PASSED ON FIRST READING and be ORDERED TO PRINT.

CHAIR WHITE: Thank you, Mr. Clerk.

Mr. Hokama.

COUNCILMEMBER HOKAMA: Thank you, Mr. Chairman. Thank you, Mr. Clerk.

I MAKE A, I, AT THIS TIME, MR. CHAIRMAN, I MOVE THAT THE FIRST 11 RECOMMENDATIONS IN YOUR COMMITTEE'S REPORT BE ADOPTED, THAT IS RECOMMENDING THAT THE 11 BILLS, AS READ BY THE COUNTY CLERK, BE PASSED ON FIRST READING AND BE ORDERED TO PRINT.

COUNCILMEMBER VICTORINO:

MR. CHAIR, I SECOND MOTION.

CHAIR WHITE: We have a motion from Mr. Hokama, with a second from Mr. Victorino.

Mr. Hokama.

COUNCILMEMBER HOKAMA: Chairman, your first two bills as read by the Clerk relate to the State Revolving Loan Funds needed for wastewater and water projects, respectively. And, again, we are able to receive an interest rate well below our general obligation bond rates that we can receive through open competitive bidding, Mr. Chairman.

The other nine bills will relate to recommended actions by your Committee on Special Purpose Revenue Funds, . . . real property tax exemption, and golf course fees.

As you can see by the 11 bills, Mr. Chairman, your Committee was very busy in taking care of required adjustments to the Code, through the budget process.



CHAIR WHITE: Thank you, Mr. Hokama.

Members, any further discussion on these items?

Mr. Guzman.

VICE-CHAIR GUZMAN: Yea, thank you, thank you, Chair. I would like to move to decrease the Estimated Revenues, Fuel and Franchise Taxes by 48,500, and to decrease the Department of Public Works, Road.

COUNCILMEMBER COUCH: Not yet.

VICE-CHAIR GUZMAN: Apologize, strike, withdraw.

CHAIR WHITE: Next one. Next one. Thank you.

VICE-CHAIR GUZMAN: Thanks.

CHAIR WHITE: Okay, any further discussion on these first 11 items, Members?

Seeing none, all those in favor please signify by saying "aye".

AYES: COUNCILMEMBERS BAISA, CARROLL,  
COCHRAN, COUCH, CRIVELLO, HOKAMA,  
VICTORINO, VICE-CHAIR GUZMAN, AND CHAIR  
WHITE.

CHAIR WHITE: Those opposed say "no".

NOES: NONE.

CHAIR WHITE: Measure passes with nine "ayes" and zero "noes".

Mr. Hokama.

COUNCILMEMBER HOKAMA:

CHAIRMAN, I MOVE TO ADOPT RECOMMENDATION 12 OF,  
OF YOUR COMMITTEE'S REPORT TO PASS ON FIRST  
READING THE BILL TO AUTHORIZE THE ISSUANCE OF  
29,753,000 OF GENERAL OBLIGATION BONDS FOR

VARIOUS CAPITAL IMPROVEMENT PROJECTS FOR THIS  
COUNTY, AS READ BY THE CLERK.

COUNCILMEMBER VICTORINO:

SECOND, MR. CHAIR.

CHAIR WHITE: Okay, we have a motion from Mr. Hokama and a second from Mr. Victorino.

Mr. Hokama.

COUNCILMEMBER HOKAMA: Chairman, I'll save all comments until we conclude our process of amendments. Thank you.

CHAIR WHITE: Okay.

Mr. Carroll.

Okay. So, Mr. Clerk, please call up bill 12.

COUNTY CLERK:

12. That Bill 59 (2016), entitled "A BILL FOR AN ORDINANCE AUTHORIZING THE ISSUANCE OF TWENTY-NINE MILLION SEVEN HUNDRED FIFTY-THREE THOUSAND DOLLARS (\$29,753,000) AGGREGATE PRINCIPAL AMOUNT OF GENERAL OBLIGATION BONDS OF THE COUNTY OF MAUI FOR THE PURPOSE OF PROVIDING FUNDS TO PAY ALL OR A PART OF THE COST OF APPROPRIATIONS FOR PUBLIC IMPROVEMENTS OF AND FOR THE COUNTY OF MAUI; FIXING THE FORM, DENOMINATIONS AND CERTAIN OTHER FEATURES OF SUCH BONDS AND PROVIDING FOR THEIR SALE; AUTHORIZING THE DIRECTOR OF FINANCE TO DETERMINE CERTAIN DETAILS OF THE BONDS; AUTHORIZING THE ISSUANCE AND SALE OF A LIKE PRINCIPAL AMOUNT OF GENERAL OBLIGATION BOND ANTICIPATION NOTES IN ANTICIPATION OF THE ISSUANCE AND SALE OF SUCH BONDS; AND PROVIDING FOR OTHER ACTIONS RELATED TO THE ISSUANCE, SALE AND DELIVERY OF SAID BONDS," be PASSED ON FIRST READING and be ORDERED TO PRINT.

CHAIR WHITE: Mr. Hokama.

We'll just move to Mr. Carroll.

COUNCILMEMBER CARROLL: Gotta move.

COUNCILMEMBER HOKAMA: Chairman, I thought I did make the motion.

CHAIR WHITE: No, you did.

COUNCILMEMBER VICTORINO: You did, you did.

DISCUSSION AND ACTION RELATING TO  
COUNTY COMMUNICATION NO. 16-91

CHAIR WHITE: So, I, I'm just checking with you to see if we should go to Mr. Carroll.

COUNCILMEMBER HOKAMA: Yea, if, if you have an amendment.

CHAIR WHITE: Mr. Carroll.

COUNCILMEMBER CARROLL: Thank you, Chair.

I MOVE TO AMEND THE FISCAL YEAR 2017 BOND  
AUTHORIZATION BILL BY (1) ADDING 2,273,000  
APPROPRIATION UNDER THE DEPARTMENT OF FINANCE,  
COUNTYWIDE, OTHER PROJECTS, FOR THE LAUNIUPOKO  
LAND ACQUISITION; AND (2) STRIKING THE TOTAL  
AMOUNT OF 29,753,000 TO THE TITLE AND SECTION 1 OF  
THE BILL, AND INSERTING IN THEIR PLACE THE AMOUNT  
32,026,000.

COUNCILMEMBER VICTORINO:

SECOND, MR. CHAIR.

CHAIR WHITE: We have a motion from Mr. Carroll and a second from Mr. Victorino.

Mr. Carroll.

COUNCILMEMBER CARROLL: Thank you, Chair. This matters involves the acquisition of land located at Launiupoko, Maui, Hawaii, now identified for real property tax purposes as Tax Key Map (2) 4-7-014:012 [sic], or Lot 12 of Ranches Phase 2, totaling approximately 37.7 acres.

The purchase would allow this stretch of coastline property to remain open space and bring the Pali and Puamana Park concept one step closer to reality.

On December 20, 2013, after receiving strong public testimony in support of the County's purchase of the land, the Council adopted Resolution 13-151 by a vote of 8-0 to authorize acquisition.

This is not a decision the Council made lightly. There was much discussion before the Budget and Finance Committee on the matter, including question posed concerning the appraised value of the property. Although there were many concerns raised at the time, the Committee did its due diligence and heard from the community. Ultimately, the Council decided to buy the property.

I admit it's unfortunate that despite many claims by the Administration that the purchase was extremely time sensitive, funding for this purchase was allowed to lapse on December 2014, without any notification to the Council or timely request for a budget amendment.

But, that does not mean the County should not stand by its contract with the seller and its commitment to the community. We should honor our purchase agreement and proceed with a funding that would allow the sale to be completed.

The County Clerk's Office has distributed copies of correspondence dated May 4, 2016, from Makila Ranches Inc., a timeline relating to this purchase and contained in the correspondence.

The proposed budget bill already incorporates the appropriation. However, as Councilmembers know, bond authorization was withheld. My amendment would not impact the Budget and Finance Committee's balanced budget.

I am asking for the 2,273,000 in General Obligation Bonds because there are insufficient funds remaining in the Open Space Fund for this purpose. I ask for the Council's support of this motion. The community has, very strongly in Lahaina, supported this, and I ask for the Council's support. Thank you.

CHAIR WHITE: Thank you, Mr. Carroll.

Mr. Hokama.

COUNCILMEMBER HOKAMA: Chairman, thank you. I was not at that original meeting, so that's why it was an 8-0 vote, Mr. Chairman. But, even at that time I did have great reservations regarding the assessment of value for the land. And even today, I still think it was overpriced, overvalued, for what potential uses and planned uses for that site would have been, or is currently being proposed for.

It's interesting, sometime, how fate moves. And, the Council has another opportunity to discuss this issue because the Administration chose to lapse the money.

I would say from one perspective, for me, the advantage is we can save the taxpayers two point something million dollars, place it into another priority area of need. The property will still be maintained in open space as the intended use under the County's purpose for purchasing. So, we still achieve the general goal of the intended use of the property.

And, it's interesting . . . I can tell you for the old companies, I, we've walked away from a lot of deals that after hindsight we felt was not a good deal. This, this afternoon, I think the Council has another opportunity to make a review. And, I would say for me, I still don't think it's a good deal.

So, for me, it's not something that I'm changing a position on. I'm going to be casting my vote how I truly feel about this request. So, I'm not supporting the motion, Chairman. Thank you.

CHAIR WHITE: Thank you, Mr. Hokama.

And you know, Members, I'll just share with you that of all the votes that I have taken here in these chambers, this is the vote, the Launiupoko vote, is the vote I regret the most. And, I regret it the most because I feel that we were put under intense pressure to move on a deal that was significantly overpriced.

The Administration wasn't truthful with us that there had been a earlier appraisal prior to the \$13 million appraisal they brought to us. And, that earlier appraisal was for \$8.5 million. And that came in, I believe, on quite a number of months prior to the \$13 million appraisal. And that, \$8.5 million appraisal was not disclosed to us until well into the discussions.



And I believe we had, not a couple of meetings, we had months of discussion on this. And, we had months of discussion because the Chair of the Committee, which was me at the time, was very concerned that we were, we were being given a bit of a bum's rush. We had to do this by the 31st of December or the deal was going to go away. I didn't believe it then and I don't believe it now.

We also have it on the record that the seller requested the Administration to change the method of the appraisal. We have it on the record that the Administration took those instructions and went to the appraiser and gave him the new, new way in which he needed to conduct the appraisal. And I'm not, I'm not going to say it's in order to change the amount, but that was certainly the effect.

In the end, we had three questionable appraisals. And, we finally, just before the December 31 deadline, received a, an appraisal of \$6.7 million. This appraisal was done by the same firm that had been hired by the developers to appraise the property about, I believe about five years earlier. And at the time, I felt that the value of the property was 6.7 million. But we got the, the rush to make a decision without further consideration. And, that's why I feel this is the, the vote that I most regret of the time I've spent in this chambers.

Last week I received a campaign contribution from the developer. Was that to push this vote one way or the other? I don't know. But there are two things that I won't do. One is I won't deposit that check. And the second is, I won't vote in favor of this amendment. Because I agree with Mr. Hokama that we have put the money in the budget. We just haven't authorized the bond on it that allows the Administration to have further discussions with the developer and see if there's some way that they can look their way clear to keeping the land, and allowing us to move on to other priorities.

So with that, you know, I'm, I'm simply not able to support this motion, as much as I appreciate Mr. Carroll's reasons for bringing it forth.

Are there any further discussion, Members?

COUNCILMEMBER CARROLL: Chair.

COUNCILMEMBER COCHRAN: Chair.

CHAIR WHITE: Mr. Carroll.

COUNCILMEMBER CARROLL: Talking twice, that's unusual for me.

COUNCILMEMBER CARROLL: I'll just close by saying a last thing over here, well, my last comment, that there's always difficulty in purchasing land, especially when you have a big space like that and it's by the water, just like the "Jaws" area and other places. And we will, we will always question the value.

But, I'd just like to leave this one thought, that if it, when it's gone, it is gone. There's no going back after that, and I'll leave that thought with the rest of the Committee. And that's why I brought up this amendment. I think it's important to go through. Thank you, Chair.

CHAIR WHITE: Yea, I, I would just point out that this is a, you know, the purpose of the Launiupoko purchase was to provide the, the view plains from the new highway alignment.

The portion of the property that we're talking about is the thin strip of land that extends for a mile and a, mile and a quarter, and it's 37-acres. So, it's a very thin strip between what the, is the County and State right of way, not the County, it's the State right of way, and the bottom boundary of the 12 agricultural lots mauka of the highway. So, it's a very thin thing.

The only open space and view that we are protecting is that from those eight agricultural lots. It's not from the road.

Members, further discussion?

Ms. Cochran.

COUNCILMEMBER COCHRAN: And, thank you very much, Chair. And, I completely agree with your comments, and also Mr. Hokama's comments.

I, we're, I think we're still being misled. Just going through the current Makila Ranches testimony that they've submitted, they're still calling this coastal shoreline. Like you just explained, it's across, it's past, it's over mauka past the highway. And, those lots are all being graded and grubbed right now as I speak, and this portion is sitting there. It's where dead trees are, it's a gulch, it's rocks, it's totally unusable anyways. So, it's going to be open space for them, and like you just stated, create nice view plain for those lots.

So, I, this is way overpriced as you stated too. And, I don't think this is a wise use of our money whatsoever. This has been my sentiment all along, because I know exactly the land. I, Mr. Goodfellow took me there to look at it. And so, you know, just

went to go see and I drive by it every day. I too got that check, you know. But, I am not in support of this. So, I clearly stated that we agree to disagree and that's the way things go.

But, I don't appreciate, in a way, this, they know what the value is of this. They know exactly what their intent is. But, to squeeze every single penny out of this County and our taxpayers, to me, is wrong. And, I am not going to be in support in putting this back.

So, I'd like to keep the budget as is for this item. And, thank you for letting me share with that. Thank you, Chair.

CHAIR WHITE: Thank you, Ms. Cochran.

Any further discussion, Members?

Ms. Crivello.

COUNCILMEMBER CRIVELLO: I'm one of those that supported the open space at the original. And, I think what bothers me is with such intensity that came before us, and then the monies get lapsed. So, you know, we approved the purchase. We did that as, as much as you may have your regrets. And, I understand what you're saying, but I'm also trying to understand how do we keep our side of the bargain?

And, I think, well, I haven't heard an explanation as to why it was lapsed. I, I think that's what I need to hear.

CHAIR WHITE: And, and, Mr. Hokama's option provides us the opportunities.

COUNCILMEMBER HOKAMA: Yea.

CHAIR WHITE: Mr. Guzman.

VICE-CHAIR GUZMAN: Thank you, Chair. You were, I guess you were one step ahead of me. I, truly believe that, yea, by, by placing it in the budget and not authorizing the bond, it does gives us options. And, clearly we're not in any legal default.

So, I mean, we've placed it in the budget. So, we're all, I mean it's still there so we're, it's not a, a definite breach or anything like that. So, I believe that by doing it this way, we still have that option to at least hear what the Administration, why, you know, the reasons why it was lapsed and, and move forward from there.

But at this stage, I cannot support Mr. Carroll's proposal or amendment at this time.  
Thank you.

CHAIR WHITE: Thank you, Mr. Guzman.

Members, any further discussion? Seeing none, all those in favor please signify by saying "aye".

COUNCILMEMBER COUCH: Aye.

COUNCILMEMBER VICTORINO: Aye.

COUNCILMEMBER CARROLL: Aye.

CHAIR WHITE: Those opposed say "no".

COUNCILMEMBER HOKAMA: No.

COUNCILMEMBER COCHRAN: No.

CHAIR WHITE: I can't quite count. Roll call please, Clerk.

COUNTY CLERK: Councilmember Robert Carroll.

COUNCILMEMBER CARROLL: AYE.

COUNTY CLERK: Councilmember Gladys Coelho Baisa.

COUNCILMEMBER BAISA: NO.

COUNTY CLERK: Councilmember Elle Cochran.

COUNCILMEMBER COCHRAN: NO.

COUNTY CLERK: Councilmember Don Couch.

COUNCILMEMBER COUCH: AYE.

COUNTY CLERK: Councilmember Stacy Crivello.

COUNCILMEMBER CRIVELLO: NO.

COUNTY CLERK: Councilmember Riki Hokama.

COUNCILMEMBER HOKAMA: NO.

COUNTY CLERK: Council Vice Pro Temp Michael P. Victorino.

COUNCILMEMBER VICTORINO: AYE.

COUNTY CLERK: Council Vice-Chair Don S. Guzman.

VICE-CHAIR GUZMAN: NO.

COUNTY CLERK: Council Chair Mike White.

CHAIR WHITE: NO.

AYES: COUNCILMEMBERS CARROLL, COUCH, AND  
VICTORINO.

NOES: COUNCILMEMBERS BAISA, COCHRAN,  
CRIVELLO, HOKAMA, VICE-CHAIR GUZMAN,  
AND CHAIR WHITE.

COUNTY CLERK: Two, four "ayes", five "noes".

CHAIR WHITE: Is that the right count?

COUNCILMEMBER COUCH: Three "ayes".

CHAIR WHITE: Three "ayes".

COUNTY CLERK: What was Victorino?

COUNCILMEMBER COUCH: I have Carroll, Couch, and Victorino.

COUNCILMEMBER VICTORINO: I don't know what you guys been doing. We're having a  
hard time today, Mr. Chair. I don't know what's going on.

COUNTY CLERK: Victorino was an "aye".

CHAIR WHITE: So the measure, the measure fails.



COUNTY CLERK: Three "ayes".

CHAIR WHITE: Six "noes" and three "ayes".

COUNTY CLERK: Yes.

CHAIR WHITE: Okay. Thank you, Mr. Carroll.

We are back to Mr. Hokama.

COUNCILMEMBER HOKAMA: Chairman, no further discussion on this current motion.  
Thank you.

CHAIR WHITE: Okay, any further discussion on bill no. 12.

Mr. Couch.

COUNCILMEMBER COUCH: Mr. Chair, just a question of where I would do this. We had some testimony about some issues on Vineyard Street, and I did go see what the issue was. So, is this where we would put if we wanted to add the 650k to the CIP for Vineyard Street, for, under the Bond Fund? We would also need to change that here. Is that correct?

CHAIR WHITE: I believe so. Let's, let's take a quick recess because I, I think we need to revisit the reasons for that, that dropout which we'll do when we come back from recess. But, I, anyway, we're in recess.

(THE MEETING WAS RECESSED BY THE CHAIR AT 2:07 P.M., AND WAS RECONVENED AT 2:11 P.M., WITH ALL MEMBERS PRESENT.)

CHAIR WHITE: This Council meeting will come back to order. And, we're back to Mr. Couch.

COUNCILMEMBER COUCH: Thank you, Mr. Chair. I was looking to see where we would put design money in for the Vineyard Street improvements. But, at this point there was enough confusion during the regular Committee meeting about what they really wanted to do with it. I guess we're going to come back, they're going to come back with a budget amendment when they got, have settled what they need, and need money for and what they need to do.

CHAIR WHITE: Okay.

COUNCILMEMBER COUCH: So, I encourage them to do it as quickly as possible. Thank you.

CHAIR WHITE: Thank you, Mr. Couch.

Okay, we're back to the main motion on bill no. 12. Any further discussion, Members? Seeing none, all those in favor please signify by saying "aye".

AYES: COUNCILMEMBERS BAISA, CARROLL,  
COCHRAN, COUCH, CRIVELLO, HOKAMA,  
VICTORINO, VICE-CHAIR GUZMAN, AND CHAIR  
WHITE.

CHAIR WHITE: Those opposed say "no".

NOES: NONE.

CHAIR WHITE: Measure passes with nine "ayes", zero "noes".

Mr. Clerk. We're on bill no. 13.

DEPUTY COUNTY CLERK JOSIAH K. NISHITA:

13. That Bill 60 (2016), entitled "A BILL FOR AN ORDINANCE DETERMINING THAT PART OF THE PROCEEDS OF GENERAL OBLIGATION BONDS OF THE COUNTY OF MAUI HERETOFORE ISSUED IS IN EXCESS OF THE AMOUNTS REQUIRED FOR THE PURPOSES FOR WHICH SUCH BONDS WERE INITIALLY ISSUED, OR MAY OR SHOULD NOT BE APPLIED TO THOSE PURPOSES, AND DIRECTING SUCH PROCEEDS TO OTHER PUBLIC IMPROVEMENTS OR AUTHORIZED PURPOSES OF THE COUNTY OF MAUI," be PASSED ON FIRST READING and be ORDERED TO PRINT.

CHAIR WHITE: Mr. Hokama.

COUNCILMEMBER HOKAMA:

CHAIRMAN, I MOVE TO, I MOVE TO ADOPT  
RECOMMENDATION 13, AS READ BY THE CLERK, TO PASS  
ON FIRST READING, BE ORDERED TO PRINT, THE BILL TO  
REAUTHORIZE THE USE OF \$6,103,000 IN LAPSED BOND  
PROCEEDS FOR THE KOKOMO ROAD AND MAKAWAO

AVENUE PAVEMENT RECONSTRUCTION, PHASE 2  
PROJECT AND THE MOLOKAI BASEYARD PROJECT AS  
READ.

COUNCILMEMBER VICTORINO:

SECOND, MR. CHAIR.

CHAIR WHITE: We have a motion from Mr. Hokama and a second from Mr. Victorino.

Mr. Hokama.

COUNCILMEMBER HOKAMA: No further discussion on this motion, Chairman.

CHAIR WHITE: Members, any more discussion on these, this item, bill no. 13? Seeing none, all those in favor please signify by saying "aye".

AYES: COUNCILMEMBERS BAISA, CARROLL,  
COCHRAN, COUCH, CRIVELLO, HOKAMA,  
VICTORINO, VICE-CHAIR GUZMAN, AND CHAIR  
WHITE.

CHAIR WHITE: Those opposed say "no".

NOES: NONE.

CHAIR WHITE: Measure passes with nine "ayes", zero "noes".

Mr. Clerk.

DEPUTY COUNTY CLERK:

14. That Bill 61 (2016), entitled "A BILL FOR AN ORDINANCE RELATING TO THE CAPITAL PROGRAM FOR THE FISCAL YEAR ENDING JUNE 30, 2017," be PASSED ON FIRST READING and be ORDERED TO PRINT.

CHAIR WHITE: Mr. Hokama.

COUNCILMEMBER HOKAMA: Chairman, thank you.

MOVE TO ADOPT RECOMMENDATION 14 TO PASS ON  
FIRST READING, BE ORDERED TO PRINT, THE CAPITAL

PROGRAM BILL FOR THE COUNTY OF MAUI, FISCAL YEAR  
2017, AS READ BY THE CLERK.

COUNCILMEMBER VICTORINO:

SECOND, MR. CHAIR.

CHAIR WHITE: We have a motion from Mr. Hokama and a second from Mr. Victorino.

Mr. Hokama.

COUNCILMEMBER HOKAMA: Chairman, your Committee is recommending these capital improvement projects that we feel is critical to improve the conditions of our main infrastructure as well as needed projects for the advancement of County operations. Thank you.

CHAIR WHITE: Members, any further discussion on these items, this item? Seeing none, all those in favor please signify by saying "aye".

AYES: COUNCILMEMBERS BAISA, CARROLL,  
COCHRAN, COUCH, CRIVELLO, HOKAMA,  
VICTORINO, VICE-CHAIR GUZMAN, AND CHAIR  
WHITE.

CHAIR WHITE: Those opposed say "no".

NOES: NONE.

CHAIR WHITE: Measure passes with nine "ayes", zero "noes".

Mr. Clerk.

DEPUTY COUNTY CLERK:

15. That Bill 62 (2016), entitled "A BILL FOR AN ORDINANCE RELATING TO THE OPERATING BUDGET FOR THE COUNTY OF MAUI FOR THE FISCAL YEAR JULY 1, 2016 TO JUNE 30, 2017," be PASSED ON FIRST READING and be ORDERED TO PRINT.

CHAIR WHITE: Mr. Hokama.

COUNCILMEMBER HOKAMA:

CHAIRMAN, I MOVE TO ADOPT RECOMMENDATION 15,  
WHICH IS TO PASS ON FIRST READING, BE ORDERED TO  
PRINT, THE BUDGET BILL AS READ BY THE CLERK.

COUNCILMEMBER VICTORINO:

MR. CHAIR, I SECOND THE MOTION.

CHAIR WHITE: We have a motion from Mr. Hokama and a second from Mr. Victorino.

Mr. Guzman.

VICE-CHAIR GUZMAN: Thank you. Finally.

CHAIR WHITE: Now is the time.

VICE-CHAIR GUZMAN: Now is the time. Thank you very much, Chair.

I MOVE TO DECREASE THE ESTIMATED REVENUES, FUEL  
AND FRANCHISE TAXES BY 48,500 AND TO, I CAN'T EVEN  
TALK NOW, SORRY, AND TO DECREASE THE  
DEPARTMENT OF PUBLIC WORKS, ROAD, BRIDGE, AND  
DRAINAGE MAINTENANCE PROGRAM - HIGHWAY FUND,  
CATEGORY B, BY 48,500.

COUNCILMEMBER COUCH:

SECOND.

CHAIR WHITE: We have a motion from Mr. Guzman and a second from Mr. Couch.

Mr. Guzman.

VICE-CHAIR GUZMAN: Thank you, Chair. The Council's action on the fuel tax resolution requires an adjustment to estimated revenues and expenditures to offset the 48,500 reduction of the estimated revenues for the Fuel and Franchise Tax. I propose that the Department of Public Works, Road, Bridge, and Drainage Maintenance Program – Highway Fund, Category B, be reduced by 48,500 to produce a balanced budget.



While the reduction in this area will amount to a minimal reduction in maintenance of our Roads, Bridges, and Drainage Maintenance Program, promoting the use of biodiesel is the right thing to do for our environment.

A corresponding adjustment to the biodiesel fuel tax rate on page 43 of Appendix B of the proposed FY 2017 Budget will also be reflected.

I ask the Council's full support of my proposed amendment. Thank you, Chair.

CHAIR WHITE: Thank you, Mr. Guzman.

Members, any further discussion on the motion? Seeing none, on the amendment I should say, seeing none all those--

COUNCILMEMBER HOKAMA: Chairman, Chairman.

CHAIR WHITE: I'm sorry. Mr. Hokama.

COUNCILMEMBER HOKAMA: I, I apologize for speaking up late. I'm going to support this with reservations. I made my case on the original rate amendment as proposed by Mr. Guzman. And, the amendment did pass so we need to deal with the facts, and the facts is we need to make adjustments in our Budget to be balanced.

But with reservations, again, we keep talking about it, but nobody wants to pay for it. Unless infrastructure is maintained and improved, the advancement of this County is going to be stalled and hindered. During the long run, it's going to cost us more money to get back on the right track. Thank you, Chairman.

CHAIR WHITE: Thank you, Mr. Hokama. Any further discussion, Members? Seeing none, all those in favor please signify by saying "aye".

AYES: COUNCILMEMBERS BAISA, CARROLL,  
COCHRAN, COUCH, CRIVELLO, HOKAMA,  
VICTORINO, VICE-CHAIR GUZMAN, AND CHAIR  
WHITE.

CHAIR WHITE: Those opposed say "no".

NOES: NONE.

CHAIR WHITE: Measure passes with nine "ayes", zero "noes".

And, I think that is, any, Ms. Cochran.

COUNCILMEMBER COCHRAN: Am I next? Thank you, Chair.

AND, I MOVE TO STRIKE THE FOURTH PROVISIO FROM THE AFFORDABLE HOUSING FUND, APPENDIX A, PART II, OF THIS BUDGET BILL, THEREBY REMOVING THE \$442,000 APPROPRIATION FOR THE KAIAULU AT KANAPALI PROJECT OF AINA LANI PACIFIC LLC FOR THE INSTALLATION OF PHOTOVOLTAIC SYSTEMS FOR THE 33 HOMES IN THE PROJECT, WITH A ONE-TO-ONE MATCH; AND TO RENUMBER THE FOLLOWING PROVISOs ACCORDINGLY.

COUNCILMEMBER COUCH:

SECOND.

COUNCILMEMBER COCHRAN: That's my motion. Thank you.

CHAIR WHITE: We have a motion from Ms. Cochran and a second from Mr. Couch.

Ms. Cochran.

COUNCILMEMBER COCHRAN: Thank you, Mr. Couch. And, Members, I believe Ms. Valdez handed out a form, a single-page, and it has bullet points that title justification for amendments by myself, Member Cochran. And, I'll go through this so you folks can understand why I am doing this.

So, with that, I want to thank you, Chair, and you folks, we all can follow the Amendment Summary Form.

Section 9-20 of the Revised Charter of the County of Maui (1983), as amended, authorizes the Affordable Housing Fund to be used for the, for the "provision, protection, and expansion of affordable housing and suitable living environments for persons of very low to gap income, as defined by ordinance, including the rehabilitation of existing structures, land purchase or other acquisition of land or property entitlements, planning, design, and construction."

An appropriation for the installation of photovoltaic systems for these 33 homes in Kaiaulu at Kaanapali Project would not provide, protect, or expand affordable housing or suitable living environments for qualified income groups and, therefore, does not further the stated purposes of the Fund. Even if an interpretation of the Charter could be stretched to include photovoltaic systems, as a policy matter, the Council should limit the use of the Fund to projects that will improve basic housing opportunities, and not dilute its core function of including non-essentials.

And, I also went to the Maui County Code, 3.35.080.D, and this states. "If housing is not the immediate or direct outcome of an appropriation from the fund (such as land acquisition or infrastructure improvements), then they must provide an explanation on how the appropriation will result in housing."

And, this 33-unit Kaiaulu housing project in Kaanapali will continue as planned, with or without solar panels.

Therefore, affordable housing will not be a result of the Fund appropriation, making this an inappropriate use of the Fund. And, I just truly believe that the developer could consider other sources of funding.

Although, and everyone, you know, I am a strong proponent of renewable energy. I live off strictly solar myself. Installation of solar panels on homes, I do not support using funds earmarked for the development of affordable housing to pay for electricity instead of shelter.

So, I would rather see the creation of an Affordable Utility Fund of some kind; wherein the County could offer utility subsidies for income qualified applicants. This Affordable Housing Fund is specifically for affordable housing, not affordable utilities. So, let's build and get people in affordable homes first.

It was, I do have a memo from Mr. Pat Wong which clearly states that this project is going to move forward regardless. They have to uphold the workforce housing ordinance, and so, with or without PV. So, this is another point and reason why I believe it's, there's no need to dig into this Affordable Housing Fund. And, I hate to draw it down and set precedence with this for things of utility, because I think it's truly there for shelter. Actually, roofs over people's heads.

So, I'm requesting the Fiscal Year 2017 Budget bill be amended, and respectfully request the Council's full support with this. So thank you, Chair. A long, a long explanation, but that's my justifications.

HAIR WHITE: Thank you.

Ms. Crivello.

COUNCILMEMBER CRIVELLO: Thank you, Chair. Thank you, Ms. Cochran for bringing this to, to surface.

You know, Chair, I'd like to make some comments in regards to this amendment, and as to why I cannot support it at this time. Because, time and time again in Council chambers, we talk about the need for housing and how to bring down the costs.

You know, the project at Kaiaulu in Kaanapali did come before us to request about 800 something thousand. And, however, upon the recommendation of our Budget Chair, what we provided was that 442,000 shall be for this project, but to include a one-to-one match.

We vetted this, again, through Committee, and I support the efforts for us to support affordable housing. I think Maui County can be proud to join the national movement to green affordable housing. We are, I think, coordinating our efforts between an affordable housing development to showcase this project as a way to cut down, cut carbon pollution and reduce energy demand, our energy path of supporting this PV project affordable housing. And, my opinion provides our talks of environmental thinking.

We are also providing a means to sustain the homeowner, the homeowner to receive a savings to one's energy cost, and then be applicable to meet the homeowners needs, whatever savings, towards mortgage, insurance, or what we all know comes with owning a home.

Well, then I understand what my colleague is saying. And, if the intent of my colleague is to fulfill her support of the Affordable Housing Fund without allowing the funds for any such project. And, because this is a 100 percent affordable housing project, maybe we need to consider, and I'm hoping that my colleague would support it, maybe the introduction is to help how it was clarified in here. Because, how you define construction or a suitable living environment for persons who we intend to have these projects for, but maybe then we, if that cannot meet the Council's approval for the PV installation, maybe then we can go and add it to the construction of the cost. It's how you're going to look at it and weigh it.

In today's times, we know that it's the efforts of most homeowners to try and expand on the PV's or whatever we'd like to call it for renewable energy to cut costs as, as homeowners.

So, I appreciate Ms. Cochran bringing this forward. But at this time, I cannot afford it, support it because I certainly, certainly want to see affordable homes built. And, this is a 33-units, and it's 100 percent affordable. So, that's, that's my words for it. Thank you.

CHAIR WHITE: Thank you, Ms. Crivello.

Mr. Couch.

COUNCILMEMBER COUCH: Thank you, Mr. Chair. And, I'm sitting on both sides of the argument here. It's kind of interesting, and it's absorbing both ways.

Let me just say, you know, I can support that the Affordable Housing Fund can use photovoltaic because solar housing, solar water heating is required by statute. So, that has to go on the affordable house.

What about air conditioning? When we give money to, from the Affordable Housing Fund and they put air conditioning in the home, does that, I mean, should we not allow that?

My concern with this proviso that we have in the Budget, and therefore the reason I support Ms. Cochran in this one is once these houses get sold to the family, and yes, we want to keep the bills down, but once they sell that house after the six-year or the ten-year buyback that's required, it is no longer affordable. You've heard me say this over and over again in here. Unless it's affordable in perpetuity, it's really not affordable. So, now they have this amenity that they can sell the house with to the next person who it will not, it'll still give them a break, but it doesn't fit with the, in my interpretation of what the Affordable Housing Fund is for, because it's not in perpetuity. That's the only reason.

I, I do agree that we could do it if all the other things were included. But, because it's not in perpetuity I can support Ms. Cochran's motion on this.

COUNCILMEMBER VICTORINO: Chair.

CHAIR WHITE: Mr. Carroll.



COUNCILMEMBER CARROLL: Thank you, Chair. And, of course, all of us want renewable energy, and it's so hard to talk against renewable energy because that is almost the buzz word nowadays.

However, I have been heavily involved in affordable housing for a long time, and I have difficulty using this money for that purpose. It needs to be used for other ways to try to obtain affordable housing, through affordable housing.

Yes, it would be nice for the families, but there are other ways where they can control their electric bill. I go put up clothes line, I do all kinds of things in my home to keep it down. So, there are options. Because they don't have that type of solar energy, doesn't mean that they can't control their expenses in their own home.

So, I would support Member Cochran's bill. I think that is the appropriate action at this time. If we do feel that we should be supporting more solar energy, we need to work on a program to get homes into solar energy, but not with affordable housing funds. Thank you.

CHAIR WHITE: Thank you, Mr. Carroll.

COUNCILMEMBER VICTORINO: Chair.

CHAIR WHITE: Ms. Baisa.

COUNCILMEMBER BAISA: Thank you very much, Chair. Chair, I will not be in support of the amendment.

And, one of the reasons is, I think everybody heard my ranting the other day about the cost of affordable housing. And, you know, it's very, very difficult for people who get into affordable housing, to be in affordable housing. And the reason that is, is because if they were financially okay, they wouldn't be looking for affordable housing.

There are people that are having a real terrible time just keeping a roof over their heads, and paying the bills, and keeping people in school, and doing everything that everybody's trying to do. So, any kind of reduction in their monthly expenses, I think is very beneficial. And, I think it might help them be able to pay the, the monthly payments.

You know, it's really sad, but I think all of us don't have to look very far to find people that we know, relatives, friends, and friends of friends who have lost their homes. Because they bought a home thinking that they could pay for it, and stuff happens, and then they lose it.

I really would like to see them having the advantage of the PV. You know, we use to have a \$300 more or less monthly electric bill and we are very, very frugal people. I was raised by a mother who said don't leave the refrigerator open; and turn off the light, the room is not afraid; and you know, all that kind of stuff. So, I grew up very, very frugal. But, our bill had reached that point with everything that, you know, our house being all electric. We have no gas things. And, so now when I get a \$19.13 bill a month, I celebrate every time I open that envelope. It's, it's really nice cause it enables us to, you know, pay for other things.

And, so I would like to support this because of where it's going. And, it's going into an affordable home. And, I see it kind of a nice partnership between having the PV and having the affordable home. I think it'll make them more successful in keeping that home.

And, I wish we had more affordable housing money. I, I think there's no, you know, pat answer to any of this, but I am real comfortable in seeing this happen, and I'd like to see how it, you know, how it works out. Thank you.

CHAIR WHITE: Thank you, Ms. Baisa.

Mr. Victorino.

COUNCILMEMBER VICTORINO: Thank you, Chair. And, although I support alternative energy, no matter how it comes about, I live with even a more frugal wife than Ms. Baisa ever could imagine. And, my bill has never gone over \$150 month till today, and we're all electric. So, I can tell you we can do it. And, my son recently showed me his bill, and his bill every month has been \$55 or less. So, it can be done, and he's all electric also.

So, with all that being said, I think in this case, although I don't always agree with Ms. Cochran, not the, you know, talk about Couch, but Ms. Cochran. In this case, I, I too believe affordable housing funds should be for housing purposes. And, we just recently had right here, the 70-units and they didn't ask for photovoltaic. And, we've had others that's come through this door recently, and I think more will come.

I think we need to make sure our monies are there to build units so people can live in them, whether they have to pay an electric bill, or photovoltaic, or whatever.

You know, and Ms. Baisa, you made a good point about \$19 a month. But, my next question is what is your payment for that system? Because I had them come to my house, and I seen what the systems costs and they're not very cheap per month.

And, that's why when I, my wife showed them the 125, 135, or less bills each month, under \$150, the guy's word from his mouth, the two salesmen that came, not worth it for you guys to even consider it. I thought that was very honest. I appreciated that, you know.

So, with that being said, Mr. Chair, I think I will support Ms. Cochran's movement in this area, because I do believe that something, and I wasn't here, I don't know, I missed this one. I don't know if this is one of those that came up while I was, you know, running around, wherever I might have been running around, whether the Capitol or, or, or in Japan, or wherever I was. But, I don't remember this. But, after reviewing it, you know, that proviso, I, I would like to take it out.

So, I can support Ms. Cochran's amendment, or removal of the proviso, excuse me. Thank you, Chair.

CHAIR WHITE: Ms. Baisa.

COUNCILMEMBER BAISA: Yes, just one follow up comment. Our system didn't cost us that much, because we were lucky enough to take advantage of all of the credits that were available at that time. Thank you.

CHAIR WHITE: Ms., Ms., go ahead, Mr. Guzman.

VICE-CHAIR GUZMAN: Oh okay. Oh, thank you, Chair. I was present, I, it's been, my memory is, during that, the whole budget process makes you all cloudy. But, I, I do recall the applicant being in the chambers. And, the questions were asked, I believe on the application itself, and there were certain, I guess, on the form itself you had to indicate the justification in how you use the fund. And I know that they marked off "other". And so, there was no real direct, I guess, statement or justification or nexus that was given by the applicant as to how this, this, I guess, photovoltaic was to be used in compliance with the, the code.

So I reference the, under 3.35.080 of the Affordable Housing Fund Annual Plan, and Section D says that "If the housing is not an immediate result from a proposed appropriation, such as acquisition or infrastructure improvements, provided an explanation on how the appropriation will result in housing."

So I didn't get that part of it, where how this appropriation would result in the additional housing. On the other hand, the Council is allowed, under 3.35.040, allowed to use the fund and make appropriations from it for the following. And, it does list certain items "A., B., C., D., E., F., G., H." So, during the discussion and the meeting, there was nothing placed on the record as to which "A." through "H." this

applicant was justifying the use of the fund. So, if you go back in the record, I don't believe they fit or they had an opportunity to explain which category they would of fit in, "A.", "B." through "H." and, if you look at 3.35.040.

So that's a missing element in my mind, that there was nothing stated, at least on the record or in my memory banks that I can recall that they, they, they used a certain category to fit in. So, at this point, with that lacking information, I, I would have to support Ms. Cochran's motion at this time. Thank you.

CHAIR WHITE: Thank you, Mr. Guzman.

Mr. Wong, do you, in your opinion, is this an allowable use of the fund, or is it borderline, or what, what is your analysis?

I, I find the, I find the wording rather compelling, as Ms. Cochran and, and Mr. Guzman have referred to.

CORPORATION COUNSEL PATRICK WONG: Chair, I believe the opinion provided was that it was perfectly justifiable. Whether this body from a policy--

CHAIR WHITE: Can you, can you speak up a little bit.

CORPORATION COUNSEL: --that it was justifiable. Whether the body decides to do it from a policy standpoint is up to the body.

CHAIR WHITE: Okay, thank you.

VICE-CHAIR GUZMAN: Yea, I would agree with Mr. Wong that it, it is up to the body, but it, we, we still need to make sure that we place on the record which category 3.3.040 [sic], it fits in. Like "A. To increase the supply of affordable, rental, owner-occupied housing; B. To acquire interests in real property for purposes set forth in this chapter; E. To provide grants, loans or any non-profits," blah, blah, blah, blah, leverage funds. But which, which one, "A. through H.", does this applicant fit in? And, I don't think we've done that to justify, I guess, moving forward on the appropriation. Unless you want to backtrack and do it now.

CHAIR WHITE: Is there a section under which--

VICE-CHAIR GUZMAN: But then the applicant isn't here.

CHAIR WHITE: --is there a section under which you feel this, this proposal--



VICE-CHAIR GUZMAN: I, I wouldn't, I, I can't stand in the shoes of the applicant and, and I guess, assume that they're, they need this funds for "F. For the leverage funds provided by federal, state, non-profits, and other non-profit County entities for further, to expand affordable housing opportunities."

I, I don't want to put on the record the, that I'm representing the applicant. I think the applicant needs to be the one to justify what category they, they need this monies for. Thank you.

COUNCILMEMBER VICTORINO: Mr. Chair.

CHAIR WHITE: Mr. Victorino.

COUNCILMEMBER VICTORINO: Point of clarification. And, and I don't know, you know, maybe you or Mr. Hokama, can answer this. If, if we were to, at this time, defer this amendment or yea, this amendment that Ms. Cochran brought up, and pass it out on second and final reading, would we have an opportunity and allow by that time, I think there's a couple other questions people had in some other areas, that this could be brought forth at second and final reading?

I know you like to try to get everything done today. But, the applicant's not here, and he brings up a good point, or you bring up a good point, and he justified it in my mind, saying hey I don't want to step in somebody's shoes and to say how we were justifying it. If they should have answered it, or should have answered it, it's not answered, giving them an opportunity to come forward and say, this is our justification, and then we can decide at that point.

I, I'm asking, Mr. Chair.

CHAIR WHITE: Right.

COUNCILMEMBER VICTORINO: Your, your, you make the ruling.

CHAIR WHITE: My concern with that option is that that might lead others to believe that the budget is wide open. And, so I think it's, I would rather we take a, a vote on it and whether it goes up or down.

Any further discussion, Members?

COUNCILMEMBER COCHRAN: Chair, oh sorry.

CHAIR WHITE: Mr. Hokama.



COUNCILMEMBER HOKAMA: Chairman, it's great discussion. I appreciate our ladies sharing their points of view, and it's great to have three strong, very strong women, with very strong positions on any issue.

So, I've listened very well to all the Members. I would say, as your Budget Chair, what I would ask you to consider at this time is that if you choose to support this motion, it doesn't prohibit the applicant, because this was a recommendation by the Department originally, for 884,000, departmental recommendation. And, your Chair just approached it from a different perspective and, and you supported it to come out of Committee to be on the floor this afternoon.

If you choose to support this amendment, it one, does not eliminate the opportunity of the applicant to further request a consideration through another budget submittal, because this is in a fund that is not dependent upon July 1, 2016. This is already in a special fund that does not lapse or terminate. So, a budget proposal can come forward through the Department, Office of the Mayor, requesting us another consideration of this fund, if this is worthy for another consideration, Mr. Chairman.

So, I would say it doesn't really die if this amendment moves forward. But, I would say that at this time, that might be the better way, cause I would really hope to get to the main motion. Because the key is to get this budget in place so that this County can continue to operate, pay its bills and its employees come July 1, 2016. Thank you.

CHAIR WHITE: Thank you, Mr. Hokama.

You know, I'd just like to add that I, I am all little bit concerned with the wording, if Housing is not the immediate or direct outcome of an appropriation from the fund, then an explanation must be provided. And I, I'm not certain that we've, we've gotten that explanation.

And I, and the amount of \$442,000 is compared to our normal, our, our rough estimate of what we provide in subsidy for our housing projects. It's, it's about \$100,000 subsidy, so, per unit. This is very small in, within that scale. But, 440,000 still equals 4.4 houses. And, I'm, as I've been listening to the testimony, cause I was in total support of this. But as I've been listening, not to the testimony, but to your comments, it, it strikes me that, you know, if we're not generating more housing, would I rather this go to, four and a, four and a, four and a half more houses, or to photovoltaics on houses that are going to come up anyway.

And I, and I didn't think I was going to be leaning this way. But, I find myself feeling that this has been well researched, and I think we need to, to give them another opportunity to make a, a proposal that might be a little bit more in line with what the, what the code requires of us.

Is there any further discussion, Members?

Oh, Ms. Cochran.

COUNCILMEMBER COCHRAN: Yea, and thank you, Chair. Did you, so yea, I mean I, you know, would like to see anything utilized out of this fund for things that'll be affordable perpetuity. And like you just stated and reiterated, in my opening comments also is that these units were already, are going to be built with or without. And so, it's not going to hinder this affordable project from moving forward, but after, I think five, eight, and ten years later, it will no longer be regardless.

And so, I think the appropriate, you have great questions. And, in their submittal to the Department, they had to "x" "other", and basically their explanation is other uses for install PV. But, that's not really a explanation, it just says what they want the money for.

So, I just hate to open up those floodgates of someone else coming in and wanting some other type of utility subsidy of sorts for other projects on, and on, and that's how we, you know, down, use up all of our affordable housing funds.

So, I just, I think this is precedence setting also. So, thank you, Chair.

CHAIR WHITE: Thank you, Ms. Cochran.

Any further discussion, Members? Seeing none, all those in favor please signify by saying "aye".

COUNCILMEMBER COCHRAN: Aye.

VICE-CHAIR GUZMAN: Aye.

CHAIR WHITE: Those opposed say no.

COUNCILMEMBER COCHRAN: No.

COUNCILMEMBER HOKAMA: No.

CHAIR WHITE: I didn't quite catch. Roll call please.

DEPUTY COUNTY CLERK: Councilmember Robert Carroll.

COUNCILMEMBER CARROLL: AYE.

DEPUTY COUNTY CLERK: Councilmember Gladys Coelho Baisa.

COUNCILMEMBER BAISA: NO.

DEPUTY COUNTY CLERK: Councilmember Elle Cochran.

COUNCILMEMBER COCHRAN: AYE.

DEPUTY COUNTY CLERK: Councilmember Don Couch.

COUNCILMEMBER COUCH: AYE.

DEPUTY COUNTY CLERK: Councilmember Stacy Crivello.

COUNCILMEMBER CRIVELLO: NO.

DEPUTY COUNTY CLERK: Councilmember Riki Hokama.

COUNCILMEMBER HOKAMA: NO.

DEPUTY COUNTY CLERK: Presiding Officer Pro Temp Michael P. Victorino.

COUNCILMEMBER VICTORINO: AYE.

DEPUTY COUNTY CLERK: Vice-Chair Don S. Guzman.

VICE-CHAIR GUZMAN: AYE.

DEPUTY COUNTY CLERK: Chair Mike White.

CHAIR WHITE: AYE.

AYES: COUNCILMEMBERS CARROLL, COCHRAN,  
COUCH, VICTORINO, VICE-CHAIR GUZMAN,  
AND CHAIR WHITE.

NOES: COUNCILMEMBERS BAISA, CRIVELLO, AND  
HOKAMA.

DEPUTY COUNTY CLERK: Mr. Chair, there are six "ayes" and three "noes"; motion passes.

CHAIR WHITE: Thank you, Mr. Clerk.

We're back to the main motion. Any further discussion on the main motion, bill no. 15?

Mr. Hokama.

COUNCILMEMBER HOKAMA: Chairman, I have for the Members, I have passed out a proposal regarding the budget bill. I am going to be recommending to transfer a position PR-0444 Clerk III from the Department of Parks and Recreation, Recreation Support Services Division to Ocean Safety Program, Department of Fire and Public Safety, including the 29,988 in salary and wages and a 1.0 EP count. And, so that is what I intend to do, Members.

THEREFORE, I MAKE A MOTION TO AMEND THE BUDGET BILL, AS NOTED ON THE ATTACHED MARKED-UP PAGES TO THE COMMUNICATION AS HANDED OUT FOR THIS MEETING THIS AFTERNOON.

COUNCILMEMBER VICTORINO:

I SECOND THAT MOTION, MR. CHAIR.

CHAIR WHITE: We have a motion from Mr. Hokama and a second from Mr. Victorino.

Mr. Hokama.

COUNCILMEMBER HOKAMA: Thank you, Mr. Chairman. This amendment will, addresses some of the concerns regarding the clerical support needed for the transfer of the Ocean Safety Program to the Department of Fire and Public Safety, by transferring 1.0 equivalent personnel positions and salary to, from the Parks and Recreation Support Services, Department of Parks and Recreation.

I apology for the amendment at this time. But, the history of this transitional program, in Fiscal Year 2013, there was no request for positions. 2014 and '15, yes, there was

a request to transfer a Clerk III. In, last year in '16 there was no request for the clerk, it was asked for some expansion positions. This year again, no request for the clerk, and again, request for a bunch of expansion positions, Mr. Chairman.

In review of the requirements and from discussions with both Departments, I am recommending that the, this body, this afternoon, consider supporting the shifting of one clerk position to the Department of Fire for the necessary clerical support needed for the transfer of this whole division. Thank you, Mr. Chairman.

CHAIR WHITE: Members, any further discussion on this amendment?

Mr. Couch.

COUNCILMEMBER COUCH: Thank you, Mr. Chair. And, I can support Mr. Hokama's amendment, but I have a concern as to some testimony by the Chief. Is, if the transfer doesn't go, does that position still go over? I, I wouldn't support it if the, if the transfer didn't go. If the transfer goes, I can support it. So, I, I don't know how to answer that question at this point.

CHAIR WHITE: Mr. Hokama.

COUNCILMEMBER HOKAMA: Chairman, I would like to give a few comments, and if appropriate, I would ask you consider Mr. Wong for additional comment if appropriate.

I have documentation from the Department of Fire, and Parks and Recreation of an executed letter to Hawaii Governmental Employees Association, Mr. Randy Perreira, Executive Director. And, these documents, I have also, it states that the effective transfer would be July 1. And from those documents I have in my hand, it says 2015, effective July 1, 2015.

But, there was request by the Fire Department regarding some issues, particularly with the bargaining unit contract that we considered possible delay in the transfer to allow critical requirements of a transfer to be done in a, as possible a seamless manner, I would say we're having wrinkles with this transfer.

But, I would say at this point in time, Mr. Chairman, this is the branch of government that sets the policy, does the appropriations, and that we expect the Departments to implement. And so, I would say we are in our purview, our area of authority to take action this afternoon, and to make the appropriate budgetary requirements as I have seen indicated by both Departments through their collective bargaining agent in response to impacts through their membership. Thank you.



CHAIR WHITE: Thank you, Mr. Hokama.

I would agree that I find it a bit disingenuous when there's a, there's a signed MOU. And over the last, I believe three years that we've been considering this transfer, this body has been very, very supportive of delay when the Chief has requested it. But, in each of those cases, there was never a request for additional staffing. And, I think most of us have been supportive of this move as long as it didn't include additional staffing.

We have had discussions in Committee, with respect to a level of staffing at the beaches. And we, and we came to the conclusion that there are lots of times, like before the guards get there and after they leave, that there is no protection. So, it, it is our decision as to the degree to which we fund this operation.

And, I, I certainly appreciate the, the Chief's focus on providing very good service, but, I think we're doing that now. And I think we will continue to do that with the staffing that is in place. It's my understanding that the, I think Mr. Victorino was the one that pointed out and corrected me, that the staffing levels over the years have been, well, not the staffing levels, the practices of transferring pool guards to cover the beaches for vacations and sick leave ended long ago. Or, I'm not sure long ago, but I believe it's been a while.

COUNCILMEMBER VICTORINO: It's been a while, yea.

CHAIR WHITE: So, I'm in support of this transfer because I think it, it will provide them with some additional assistance. But I, I certainly would be having great difficulty supporting the, the request as presented by the Chief since this is the first time in the, since when was it first brought to us in 2013, I believe.

COUNCILMEMBER VICTORINO: Yea.

CHAIR WHITE: So, this is the fourth time, and this is the first time there's been a request for additional staff--

COUNCILMEMBER VICTORINO: Chair.

CHAIR WHITE: --other than some clerical support.

So, Mr. Victorino.

COUNCILMEMBER VICTORINO: Yea, and you know, would you indulge me, I'd like to ask Mr. Wong, because that was one of my, when we got to this matter, to ask Corporation Counsel. Because, the handout that we got from the Chief, he went into specific based upon the Charter amendment, Section 15-4, "Upon adoption of this proposed 2012 amendment of Section 8-7.4 of the Maui County Department of Fire and Public Safety shall provide a timetable for transition to include the functions of all shoreline and ocean rescue and safety." And now that was what he pinned everything on, right? He, and the Chief pinned that, pinned this whole discussion, or his whole appropriation and saying no to what we, to the transfer based upon that.

And, I'd like to ask you, Mr. Corporation Counsel, with your approval, of course, Chair.

CHAIR WHITE: Certainly.

COUNCILMEMBER VICTORINO: To look at that and, and give us an, an opinion. Because, we've gotten to this point, we have MOU's signed and ready to go. But I'm gotta ask you, can he still just say "no" right now and just stop the whole process? I guess that's the way the question should be asked. Or, maybe I shouldn't ask it that way. I'll let you, I'll open it up to you, Mr. Wong, go ahead. I'm sorry.

CORPORATION COUNSEL: Chair.

CHAIR WHITE: Please.

CORPORATION COUNSEL: We are approaching new ground. You read verbatim, the Charter provision. I agree with your reading of the Charter provision. I heard the Chief's testimony. And I think, also, Member Hokama is accurate.

As a body, you have a responsibility to move forward the budget as you see fit. The Chief has his Charter responsibilities. The Charter provision that you read doesn't define anything aside from saying that there's a timetable, that he shall provide a timetable for transition.

Whether or not he's already done that or not, I haven't reviewed that. Whether or not his decision to act upon what he testified to today will comply with that provision, that too hasn't been evaluated.

I offer to you that the provision Section 15-4, as adopted, simply requires the provision of a timetable for a transition. Whether or not he accepts the budget amounts that you pass, it's like any other director that needs to accept whatever budget amount you pass.

The administrator and every director is charged with the responsibility of working within the confines of their budget, and within the confines of the Charter responsibility. That's the best I can give you at this moment. It's hard for me to go through all the different scenarios that may develop on whether or not the Chief follow through, follows through on his testimony that he provided on the floor today, and whether or not you decide to ultimately pass a budget that does or does not include the additional EP counts and or dollar amounts associated therewith.

I think that it's your policy decision and your implementation of your budget. And, every director is charged with the responsibility of working within the confines of that budget.

COUNCILMEMBER VICTORINO: Okay, thank you, Mr. Chair. And, thank you, Mr. Wong. I think for me, I, I think I know where I stand on this for now, and unless otherwise shown. And, it may be shown in some other means, some, down the road a bit. I think we have a good point, a good position to stand in, Mr. Chair. And, I'd like us to just move on the, see us move on with the budget, and let the Chief come back and bring what he must bring forward. Thank you, Mr. Chair.

CHAIR WHITE: Further discussion, Members?

Ms. Crivello.

COUNCILMEMBER CRIVELLO: Thank you, Chair. There's no denial that I really support the public safety, I mean, I get harassed by my colleagues all the time about that.

CHAIR WHITE: Every department needs a grandmother.

COUNCILMEMBER CRIVELLO: Yea. And, I, I would have to say that I'm disappointed that Chief has laid this kind of, you know, I don't know how to define it, sort of like threat, we're not going to do it. But, I understand his frustrations also. And, he's tried to bring the, his Department to high professionalism, and he's working towards that with ocean safety.

However, the timetable that we've allowed through the Charter has gone on. And, I think it's unfair for the Parks Department. I think it's unfair for the safety officers, our ocean safety people. As their, you know, it's like you get excited and the anticipation, you know, so the bubble gets burst. And, that, that is thrown upon us as policymakers. And, I think we've worked our hardest to try and accommodate.

I do not discredit what he's asking us. But, as far as the deletion of the office, Ocean Safety Officers, I think it's not more deletion, it's not accepting of the proposal instead of what's written here, I think. And, if we're able to have the beaches covered during, during, with the manpower we have, let's give it a try. And that's, that's where I'm coming from.

And, I, I guess too, I would hope he would come back to have the dialogue with us again as to what he really needs once we do the transition and, and they're able to actually have it implemented under his Department. And, and come back again, instead of saying that should any of these items not be restored, we are unable to complete the merger. And, I think both Departments have worked very diligently for the past three years.

So, I would, I would hope, or maybe three and a half years. So, I would hope that we will follow through. We got to get this budget done, and get the merger complete too, or the transition of what we're looking for. Thank you, Chair.

CHAIR WHITE: Thank you, Ms. Crivello.

Any further discussion?

Ms. Baisa.

COUNCILMEMBER BAISA: Thank you very much, Chair. These are the things that try our souls right?

I'm sorry that we're here. I, I just think that it's kind of sad, that here we are at the eleventh hour trying to wrap up the work that we try to do. And, today we're presented, essentially with an ultimatum, that you know, if we don't fund this then we're not going to be able to go ahead with the merger.

And for me it's deja vu, because this is not the first time I've heard this in this chamber. I think those of us that have been here awhile know the history of this move, this movement. And there have been all kinds of roadblocks that have come up in trying to get these folks taken care of.

I feel kind of bad because I hate, I hate to see a request for additional ocean safety officers hanging in the balance, because we don't know what that translates to in terms of lives, or safety, or whatever.



Clerical positions, of course, I know are absolutely necessary, and I like Mr. Hokama's suggestion of at least giving one. Some relief, she might have to work overtime, but you know, she or he might have to work overtime but at least one more.

And mechanics, of course, an additional mechanic is wonderful. And, in the private sector this wouldn't be such a big deal, because I have run a mechanic shop for my MEO buses, and we didn't have a whole lot of people. But, then we weren't in civil service either, and people didn't get all of the time that, you know, our civil service employees are entitled to. So, you know, you can kind of work hard when you overwork people when you're in a non-profit, but it's very difficult to do in our system. So, that I kind of, I cannot judge whether this is, you know, something that he absolutely has to have or something he can manage without, but I think it's going to lead to, again, overtime. So, I don't know how much money we're going to save by, by not funding it.

I think the part that bothers me the most is the lack of our ability to communicate away from this moment. It's really sad. It makes me sad that we can't, before we get to this point, sit down and kind of work these things out so that we don't have these last minute things put on the table in front of us. It's just not, it doesn't feel right for me.

And, I don't want to, you know, mess up the Budget because we worked really hard at it. And, we're on a timetable and we all know that it has to go. But, I don't feel good about ignoring it either. And, of course, we're at the point where there is no time to sit down and talk about it.

So, I'm going to have to make a vote, but I'm not going to be happy with either way. Thank you.

CHAIR WHITE: Thank you, Ms. Baisa.

Any further discussion, Members, on the amendment?

COUNCILMEMBER COCHRAN: Chair.

CHAIR WHITE: Ms. Cochran.

COUNCILMEMBER COCHRAN: Been talking, after Chief came to testify, and him, as Ms. Baisa said, you know, gave this ultimatum and all that, at, talked to some of the ocean safety people, and it seems majority, they are okay to stay where they're at. They, so if that's what happens, then so be it. And, they seem to be okay with it as far as the people that I have spoken to in that division.



And, they, and I don't know if there's a way to change the Charter that's in place now, put, put something else on the ballot to state opposite from what the Charter is saying to have the merger with Fire, and have it say, stay in Parks. So, I don't know. I mean, that was kind of tossed around in the discussion too. So, I guess that could be an option if truly, you know, they want to do that.

But, anyhow, those are just the murmurings that I got having heard Chief's comments this morning and then trying to vet out what the ocean safety people themselves would like. So, just some comments. Thank you, Chair.

CHAIR WHITE: Thank you.

Any further discussion on the amend, on the amendment? Seeing none, all those in favor please signify by saying "aye".

AYES: COUNCILMEMBERS BAISA, CARROLL,  
COCHRAN, COUCH, CRIVELLO, HOKAMA,  
VICTORINO, VICE-CHAIR GUZMAN, AND CHAIR  
WHITE.

CHAIR WHITE: Those opposed say "no".

NOES: NONE.

CHAIR WHITE: Measure passes with nine "ayes", zero "noes".

Any further discussion on the main motion?

Mr. Hokama.

COUNCILMEMBER HOKAMA: Thank you very much, Chairman. Let me go back to my notes now, please. Chairman, if, with your indulgence and the Members, I'd like to give some comment now on the main motion as amended.

First, I want to give thanks to the Members of the Committee for their dedication, long hours. Going through a, I've got to say this was a very different budget process, even for your Chair.

There was a lot more things that were left up in the air that we could not get a decision till toward the end of the process. Particularly those that we're looking for that would be coming from the State Legislature on Oahu. And, part of it as it impacts contracts, impacts our revenues, and our ability to plan future requirements of this County.

And because of that situations, and because of the strategies and some of the tactical approaches that we felt was our priority to advance this County's position, I will at this time take the responsibility of, maybe, not being the best communicator of what we are trying to do from a strategic point. There's a fine line, and especially in negotiations or anything else, of what you say and what you choose to withhold because of its impact on the outcome.

So, I will take that responsibility of not communicating well the strategy of the Committee, or the leadership of the Committee to the general community. But, I felt that we were working in the best interest of our community in the approaches where we're taking, especially with our State government and our State Legislature.

But, saying that, Mr. Chairman, I want to also, at this time, in advance of my comments, thank staff. I got to tell you, Members, you have not seen the amount of dedication and hours these people put in. I stayed with them, not the entire time either. But, I can tell you these people pump out 80 hours a week without complaining. The support staff on the seventh floor was available to help the Committee requirements.

And, I want to also thank Mr. Baz and his staff, because without the support of the Budget Office, their timely responses to get us updated information, this Committee would not have been able to present this proposal to the Council this afternoon.

So saying that, I want to thank all of the staff that is critical to making government work, besides those of us in elected positions.

But, one of the challenges, Mr. Chairman and Members, was that in the proposed budget, Mayor Arakawa was quite optimistic. And again, he proposed a budget totaling \$711,485,544 on March 24, 2016.

We did our due diligence. We extensively reviewed the Mayor's proposal with the Administration representatives on March 30 to April 22. We started our decision making on April 25, and we completed it on May 2, 2016.

In a period of about two weeks, your Committee traveled to eight of the Councilmembers' residency areas to receive public testimony on the proposed budget. Your Committee also conducted a community service, which yielded the community stop spending priorities.

For the course of your Committee's meetings, Mr. Chairman, your Committee heard testimony from numerous members of the community expressing their priorities for the spending of their tax dollars. The needs of your community were carefully reviewed, and we've tried to present you a balanced proposal as it regards to those requests.

Your Committee considered limiting, considered the limited resources and the need to pay for required services while providing for a growing population and growing needs.

This Council held a public hearing on real property tax rates on April 27 of this year, and reconvened on May 13 of this month. We also held the public hearings for motor vehicle weight tax rates and fuel tax rates that were held by this Council.

Your Committee recommended a decrease in all real property tax rates, except Apartment, Commercial, and Commercial-Residential, which remained at the current Fiscal Year 2016 rates. Your Committee also recommended that the minimum real property tax rate be increased from 250 to \$300, and a tax rate for remnant parcels be set at \$150.

The Mayor's proposed Fiscal Year 2017 Budget relied heavily upon receipt of \$36,940,000 of TAT revenue, of which we received \$23,484,000 despite the recommendations of a working group that was created by the State Legislature. And therefore, your Committee was left with the need to adjust automatically, \$13,456,000 less in revenues than anticipated by our Mayor.

Your Committee's recommendation for the Fiscal's 2017 Budget was, decreased the Mayor's proposed budget by \$51,947,487 or approximately 7.3 percent, to a total of \$659,540,057.

(Councilmember Crivello was excused from the meeting at 3:12 p.m.)

**COUNCILMEMBER HOKAMA:** Your Committee is recommending decreased operating appropriations by \$17,887,201 to a amount of \$545,670,143. And we decreased capital improvement project appropriations by 34,058,286, to a number of \$113,869,914.

So, while we have decreased the Mayor's proposal, Mr. Chair, we still have increased it over the current year's budget.

In dealing with the rising cost of employment, your Committee limited the number of expansion positions across departments, and transferred vacant positions from one department to another, where feasible, to keep costs to a minimum.

Your Committee recommended the transfer of 50 equivalent personnel and 10.5 limited term appointed equivalent personnel under the Makena Lifeguard Services Grant from the Department of Parks and Recreation to the Department of Fire and Public Safety. The transfer of these ocean safety officer positions in Fiscal Year 2017 is consistent with at that time was the Fire Chief's recommendation and the 2012 Charter amendment.

(Councilmember Crivello returned to the meeting at 3:13 p.m.)

**COUNCILMEMBER HOKAMA:** Your Committee notes all bargaining unit contracts will expire at the end of Fiscal Year 2017 and will be up for renegotiation within the fiscal year.

Monies were appropriated for Personnel Services to assist the Department of Personnel Services and Department of Corporation Counsel in negotiation with these contracts. And, I would also add, Mr. Chairman, as the State negotiator has mentioned, a one-percent increase regarding all fourteen bargaining units Statewide, one-percent, amounts to approximately \$92 million of additional revenue required to pay for that one-percent increase.

An audit for the Department of Fire and Public Safety to look at ways to trim expenses in staffing premium pay and rank for rank recall is being conducted by the Office of the County Auditor as a means to minimize future employment costs.

Funding for non-profits was increased by three-percent for existing grants funded in Fiscal Year 2016, with a focus on food assistance programs, substance abuse programs, services for the frail and elderly, and early childhood programs.

To help address the homelessness issue, one million dollars was appropriated for homeless programs, in addition to funding two limited term appointment equivalent personnel and a housing special, assessment specialist to address housing inventory and other related homeless issues.



Your Committee also felt that funds were also critical for economic development initiatives, including agriculture, film industry, small-business promotion, and culture and economic development programs for Lanai, Molokai, Hana, and Paia-Haiku.

With the ever increasing role that tourism will continue to play in our local economy and in light of anticipated closures of Makena Beach Resort, HC&S Sugar Company later this year, your Committee supports the \$4.2 million requested in funds to the Maui County Visitor Association.

Your Committee further understands the importance of mitigating invasive species to protect the County's fragile eco-system. Therefore, Mr. Chairman, your Committee appropriated funds for environmental protection, coqui frog eradication, miconia containment and removal, a Maui coral reef recovery plan, as well as numerous watershed protection grants.

Ensuring that monies were reinvested back into the community to address the County's aging infrastructure and equipment, your Committee funded capital improvement projects for roadway, drainage, bridge improvements, and erosion mitigation projects, solid waste and wastewater projects, park maintenance, and facility improvements, as well as water development projects.

Having received strong testimony from the Upcountry residents in support of a proposed Upcountry State park, your Committee, this afternoon, is recommending appropriation of 1.2 million, that is necessary for the construction of this project.

Your Committee, again, is implementing the "A", "B", "C" categories to restrict disbursements for each program by category of use, with allocations specified for: "A" category, salaries, premium pay, or reallocation pay; "B" category, operations or services; and "C" category, equipment, which the Mayor proposed eliminating in his budget proposal.

Your Committee notes that these restrictions allows the, the Council to make policy decisions concerning the spending of taxpayer dollars clearer, achieve increased accountability across all departments, and it did not appear to hamper the functioning of the departments in amendments that we have gone through for this current fiscal year.

A new Appendix C, Mr. Chairman, containing the description and funding appropriated for each capital improvement project has been implemented and attached to the Budget bill. Appendix C describes how each capital improvement project appropriation can be used. Funding may not be used for any other purpose other than as described in the appendix.



Hearing an overwhelming desire for open space, your Committee is recommending this afternoon, Mr. Chairman, an appropriation of \$9.5 million from the Open Space, Natural Resources, Cultural Resources, and Scenic Views Preservation Fund to acquire approximately 267.7 acres of land along the Haiku coastline, near the surf spot known as "Jaws", in the Peahi area.

Further, your Committee, Mr. Chairman, regarding affordable housing initiatives that it's, were supported, including a \$2.5 million appropriation from the fund for the Hale Mahaolu Ewalu Senior Project, Phase 1, which is to provide 38-rental units for seniors at 60 percent and below the area median income.

Your Committee concurred with the modest increases proposed by the Mayor for water service rates for general and agricultural consumers, to recover a high portion of the cost of supplying water.

Your Committee also supported the Mayor's proposed water system development fee increase for five-eighth inch meters to help recover some of the cost of developing additional source.

Your Committee also accepted the Mayor's proposed rate increases for both residential and non-residential sewer fees, and residential refuse disposal fees. Your Committee recommended a \$1-per-ton increase over the Mayor's proposed landfill disposal fee to cover costs of operating the landfill.

Your Committee also received favorable input, excuse me, from residents in the South Maui area where the "3-Can Plan" pilot project is currently being implemented. Your Committee is, therefore, recommending continuation of the project with a \$3 increase to \$9 per account, per month, rather than the \$12 per month recommended by the Administration.

I would also say, Mr. Chairman, that it's not always you will find a 33-page committee report. But, I think your Committee, as your Committee Chair and, and the staff, we felt it was very important to make clear the Committee's intentions, and what the Members of the Committee felt needed to be very clear and accurate. And, that there would be no misinterpretation of what was the intent of Council regarding the budget document.

So saying that, Mr. Chairman, I would just say, again, thank you to all of those that participated. We thank the community for participating, and giving their testimony on what they felt was important or not important.

And I would be remiss, I did not mention the hard work and appreciation that we received from Mr. Jeff Ueoka, Deputy Corporation Counsel, who assisted the Committee in its requirements for legal advice. Thank you, Mr. Chairman.

CHAIR WHITE: Thank you, Mr. Hokama.

Members, further discussion on this item?

Mr. Couch.

COUNCILMEMBER COUCH: Just wanted to say, echo everything Mr. Hokama said. And, again, thank the staff, both the Administration side and the OCS side, and our own staffs too. So, thank you.

CHAIR WHITE: Ms. Baisa.

COUNCILMEMBER BAISA: Thank you very much, Chair. And I do want to get a few words in, this being the last time--

CHAIR WHITE: Oh my gosh, that's right.

COUNCILMEMBER BAISA: --that I'm going to be voting on a County budget. This is the tenth time. It feels like it's been a hundred times. But, you know, I have to say we worked hard. But, it really wasn't as bad as it's been sometimes in the past. We did get home most nights before very late, and I'm very appreciative of that, because it is hard to sit here all those hours and with all that paper, and trying so hard to focus on remembering and understanding what everybody is saying and, and working on.

But, I do want to echo Mr. Hokama, our Chair, and thank the staff. They are fabulous. We, we can't complain. And, I want to thank the Budget Director, I know it, you know it's hard for him too. But, everybody, you know, who contributes to this process, it's not easy. And, I want to thank the public for being involved. We had lots of good testimony, particularly when we went out to our district meetings, we had great meetings.

And I just want to say it's, it's the best we could do. And, you know, we could sit here forever arguing about putting money here, and taking it out of there, but I think we are okay. We're comfortable with what we have before us.

And we, let me mention we have budget amendments, in case anybody feels that, you know, they really need to fix something. We have a process and they will just have to avail themselves of the process. So, I would ask everybody to go away with

the spirit of let's make this work, and if it's not working then come back and tell us what's wrong and we'll try to fix it. Thank you, Chair.

CHAIR WHITE: Thank you, Ms. Baisa.

Mr. Carroll.

COUNCILMEMBER CARROLL: Thank you, Chair. First of all, thank you Mr. Hokama for your patience, that if you want to learn patience, I guess you should be Budget Chair. And thank you, Chair, for all of your patience also.

And again, as everybody has said, thank you to the staff. I would name all them by names, but I don't know if they'd like it. And even the other staff, down on the seventh floor that aren't directly tied to budget that helped me do many things during this budget period. I can't thank them enough. I'm just so happy that we have such good people working for us.

And, especially to our public, to the people that came out and spent so much time over here sharing their thoughts with us. Thank you, Chair.

CHAIR WHITE: Thank you.

Further comments, Members?

Ms. Crivello.

COUNCILMEMBER CRIVELLO: I guess I'll get into it too. So, just want to express my mahalo. Mr. Hokama, thank you. I appreciate your diligence if, if that's, or due diligence, or to say.

But, more especially I want to thank the staff. I appreciate each and every one of them. They still look tired. And I hope, you know, by the time we get through with all what we have to do, they can have a good rest, and know that they are very much appreciated. Thank you.

CHAIR WHITE: I think there's a difference between looking tired and looking had-it. They went through a period of looking had-it. They would leave with just enough time to go home and shower and come back.

And, I think, you know, the public doesn't see the amount of work that goes on after the lights go off here. The lights go off for the rest of the building, but they're still on in the chamber and they're still on downstairs.

So, I take my hat off to the staff for, for their diligence and, and their ability to hang in there. And, I want to thank Mr. Hokama for his leadership through this process. I think we've come up with a budget that is, it addresses 99 percent of the concerns of the County. And, as usual, not everyone gets everything they want. But, I think we've done a responsible job of balancing our need for additional revenues with the needs of the County.

And, as you know, I'm, I'm not excited to see how fast our expenses are growing. I'm not excited to have to take a good portion of the assessed value increase that generates more tax revenue, because I believe it's coming from a private sector that is not quite as healthy as it needs to be, to be able to afford and be able to sustain the kinds of tax increases that may be necessary.

But that's, that's why all of us in this room have been very hard on increasing employee counts. Because from 2013 to this, this budget, the total cost for employment with a few, I think we've got, had about maybe 70 or 80 more positions, the cost has gone up \$65 million over a four-year period. And, I'll, I'll say it again, you guys are probably tired of hearing it, but that's, that amounts to all the taxes we generate from all businesses and all residents in all of Kahului, all of Wailuku, all of my district, and all of Ms. Baisa's district. That's a huge amount of money. And, that's in the, the taxes that we're generating this year, or in this upcoming year.

So somehow we've got to be, we have to continue to be cognizant of the fact that we've got fourteen new bargaining units coming up for negotiations this year. We've increasing demands. I don't see us building a tax base rapidly enough to address the increased needs. So the, the taxes are going to have to come from the existing taxpayers. There's no way that we're going to generate another Kahului, or another Wailuku, or another Haiku-Paia-Makawao, or, or Upcountry area with the taxes that are generated in each of those districts. So, we've got to look for ways to maintain some controls over the, over the expenses. And, I think we've, we've moved in that direction this year, but we're going to have to continue to maintain that focus.

So I really appreciate all of you participating in a very lively and, and productive fashion. I too really appreciate all the testimony that we got from the public. Night after night, day after day, they were here to share their mana'o.

And I was going to say kind things about Mr. Ueoka until I spotted him trying to catch a, catch up on his sleep back in the, in the back in the room. But, but at least it helps him not look as had-it as he was a little while ago.



But, anyway, I, I really appreciate the efforts that you all have put into this budget. I really appreciate the staff, and look forward to moving on to second reading, and the final passage of this document.

With that, Members, unless there's some other comments.

COUNCILMEMBER COCHRAN: Chair real quickly. Sorry.

CHAIR WHITE: Yes, Ms. Cochran.

COUNCILMEMBER COCHRAN: Real quick. And, you know, everything's, that I felt deep in my heart, has been said so far, so I won't repeat. But, you know, I just, I want to thank all of you, my fellow Councilmembers, which through votes got a lot of, I think, pretty much all the projects that I pushed forward in; a lot of equipment and things for Public Works; Environmental Management, a lot of CIP projects that need to happen. So, I really, really appreciate all of you for agreeing and voting in favor of those items.

And, you know, the Departments were, were awesome. There'd be just things that I needed last minute questions on, and nine o'clock at night, they can answer, I mean their eyes were glued to their TV set home or wherever they were too. So, it's, it's, it's a collaboration of sorts from all levels. So I appreciate everybody's input, and hard work, and late nights, and all of that.

And, also allowing me to sleep on this side of the island instead of having to drive back home; by the time I lay my head down and be back here. So that was very helpful, and appreciate that.

But overall, I think we have a great budget. We, of course, like was mentioned, can't give everybody everything, but you know, we balanced it. And we made sure that we funded the, you know, the things that are needed. And, again, budget amendments can occur or what have you, but I'm, I'm happy with what, with the results, cause that was a lot to, a lot to do. And, we managed and here we are first reading. So thank you, Chair.

CHAIR WHITE: Thank you, Ms. Cochran.

Any further comments?

Mr. Guzman.



VICE-CHAIR GUZMAN: Thank you, Chair. I guess we're going down the line.

Yea, I'd just like to thank the, the staff, and as well as Mr. Hokama for his leadership, and the shogun style. And, I really, I really do have a great respect for how he led us through this budget. I, I've actually learned a lot more during this budget than the previous budgets that I've gone through. So, I do appreciate all of the knowledge that he's shared along the way.

And I know that we've had a lot of debates on the floor. And I, I think that it's all, it's all good, it's all in the best interest of the community. I think we've all worked our, our hearts off and our tails off, and, and focus, focus, focus all. We, we completed the Budget and so I'm very happy at this point.

And, I just want to also say thanks to my boys, do your homework, I'm watching you, okay. So, thank you very much. Thanks colleagues for being very supportive with the long hours as well. Thank you.

CHAIR WHITE: I, I sincerely doubt your boys are at home watching Akaku. But, good, good try.

VICE-CHAIR GUZMAN: It's the re-run.

COUNCILMEMBER VICTORINO: Chair. I waited to be the last, purposely. Like Ms. Baisa, this is my last rodeo; ten years. Ten years, eight district meetings every year. Three Budget Chairs. Countless nights, weekends. But, I liked every moment of it, because it really helped me, and I really believed helped Maui County to be in the position they are in today.

Our forefathers had a great vision. And, I believe we have taken that vision and continued to expound on it. Oh yes, changes have to come, and there's more changes on the horizon. But, I think we have, what I consider, and a lot of people consider, the best County in the State, and sometimes the best County in the nation. Can we learn from other counties, yea, but I think we have learned that what we do here works pretty well.

My colleagues, if I have offended you in anyway, I meant to. I might as well be honest, you know, cause they all meant to do it too, so what the heck. I'm one of those guys that can be honest, what the heck.

To my young colleague right next to me, please pay attention, cause I hate when he says, what are we talking about now. But I miss sometimes so, like today, I was

having a very difficult morning. I was tongue-twisted a little and I got thrown off by different outside reminders of what I'm supposed to be doing. So, you know, I understand how that happens.

I really thank the Chair. You know, Riki, sometimes, I don't always agree with what you say or how you say it. But, I do like the idea that you always rationalize and give your reason for what you've just put forward. Whether you agree or not, that's not the point, but at least you understand where he's coming from.

You too, Mr. Chair, you know. I don't always agree, and I think none of us always agree with everybody and everything we do. But, at least we can, we have a strong passion or a strong validation of what we're trying to get done. At least the rest of us can understand and say, okay, well I don't agree but I understand where he or she is coming from.

The other part is, I apologize, you know, this year like last, I missed a lot of meetings cause of going down to the Legislature. And, in some successes but not everything we wanted. But, I think that has to be continued. And, I think we're working on a legislative package that we want to bring forward very soon. And, Ms. Baisa has some ideas also, we're going to put together. And, we want to have some real true movement. We've got to really work together.

I think for the first time that I can recall, and I think Mr. Hokama can verify if this is true or not, we actually had HCOM, HSAC, and all the Chairs in the same room, saying the same thing at the same time, which is almost incredible. I think the Legislature was overwhelmed with that. In fact, at one of our meetings, even some of the staffers said, why is all these people here? Who the heck do they think they are? We don't think we're anything but concerned legislators and constituents that are coming here to work with you. I don't where that guy missed the boat, but he missed the boat.

More importantly, I think the public's engagement throughout the process has always been fabulous, whether they're non-profits, business, whoever, they are part of it, our disabled, our seniors; fantastic. You know, no other, I repeat, no other County in this State does what we do by going out to every district to see what they need. And, I think they appreciate that. I read, somebody said, maybe we don't have to do that anymore. No, I think that's something that's very, very important.

Finally, Mr. Chair, ten years has taught me that collaboration and working together always, ultimately, gets the job done. You know, Ms. Cochran said, oh I got most of what I asked for. Well I got more than I asked for because I don't ask for a lot, because it is the County I ask for, not my district, not my area. But, we have, you

guys have listened to my concerns about crosswalks, and lighting, and parking, and other issues, and I thank you all, and especially the Chair for bringing that forward.

Finally, I want to thank the staff. You know, they did a fabulous job; my staff, the staff here. You know, whenever there's a question, departments or otherwise, we got answers pretty quick, Mr. Chair, and that I can appreciate. That wasn't so true when we first walked in, cause I remember one of the first meetings I had when I asked the question, the, the standard response, I'll get back to you in two weeks at our next meeting. And, I couldn't understand why they couldn't get answers. But, as time has gone on, they've gotten much better, the departments have.

So, to you Mr. Chair, to the public, to all the non-profits, to all the businesses out there, this budget has been cooked, taken out, redone, put back in, redone. I mean, I don't know how many times you can stick it in the oven to get it done, but it has been. And, I think we have a very good product. Is it perfect? No. The only perfection I know is up there, and I haven't reached there yet, so I'm not sure if I am but I'm going to try hard.

So, I want to thank all of you. I want to say mahalo, again, to everyone that involved, especially my staff who spent long hours, like yours, doing the things they needed to do way and up and beyond the call of duty. So when the public says, oh County workers, eh, they don't always give their extra. They ought to come here during budget, or they ought to come here anytime and see what our staff, what our seventh floor, and all of the other people that work with us, County Clerk and the Clerk's Office what they do.

They'd be surely surprised and they would really change their attitude to what our County workers do. In fact, I believe our County workers are probably the best in the, in the State. Just sometimes, we don't see all, you know what the old saying you just don't see the trees from the forest. You know, you just don't see what's in front of you.

So with that being said, I want to thank everybody. And, I guess I have one more thing I need to get done, and so whenever you're ready, Mr. Chair, real quickly I want to get that done so that I have fulfilled my final obligation for my recent trip to Japan. So, whenever you feel it's ready, you let me know.

CHAIR WHITE: We'll do that as soon as we get through the referrals to the very end of--

COUNCILMEMBER VICTORINO: That's fine. I, I, just wanted to say, okay, whenever.

CHAIR WHITE: Any, any further discussion, Members?

Yes, Ms. Baisa.

COUNCILMEMBER BAISA: Just one very quick statement. I won't talk too long. I just want to thank my colleagues very, very much for passing the skate park money. I tell you, the kids all are excited. And please don't forget to invite me the day you dedicate it, because I really would love to be there. They are just so stoked. So, thank you again.

CHAIR WHITE: Thank you.

Seeing no further discussion, I'll call for the question. If you're in favor of the motion, please signify by saying "aye".

AYES: COUNCILMEMBERS BAISA, CARROLL,  
COCHRAN, COUCH, CRIVELLO, HOKAMA,  
VICTORINO, VICE-CHAIR GUZMAN, AND CHAIR  
WHITE.

CHAIR WHITE: Those opposed say "no".

NOES: NONE.

CHAIR WHITE: Measure passes with nine "ayes", zero "noes".

Mr. Clerk.

DEPUTY COUNTY CLERK: For the record, BILLS 48 (2016) up to and including BILL 62 (2016).

16. That the matter relating to the real property tax rate for buildings valued at \$1 million or more in the Residential classification be REFERRED to your Budget and Finance Committee;
17. That the matter relating to separate real property tax rates for land and buildings within a classification be REFERRED to your Budget and Finance Committee;
18. That the matter relating to equipment purchases, replacement equipment, fleet vehicles, and a comparison of equipment lease vs. purchase be REFERRED to your Budget and Finance Committee;



19. That the proposed bill, entitled "A BILL FOR AN ORDINANCE TO AMEND SECTION 3.48.450, MAUI COUNTY CODE, RELATING TO THE REAL PROPERTY TAX HOME EXEMPTION AMOUNT," be REFERRED to your Budget and Finance Committee;
20. That the matter relating to a minimum threshold amount to require Council authorization to transfer funds between categories of use be REFERRED to your Budget and Finance Committee;
21. That the matter relating to erosion issues at holes 6, 7, and 8 at the Waiehu Municipal Golf Course be REFERRED to your Economic Development, Energy, Agriculture, and Recreation Committee;
22. That the matter relating to the South Maui Parks District master plan be REFERRED to your Economic Development, Energy, Agriculture, and Recreation Committee;
23. That the matter relating to creating an enterprise fund in the Department of Parks and Recreation be REFERRED to your Economic Development, Energy, Agriculture, and Recreation Committee;
24. That the matter relating to fees for public charging stations for electric vehicles, including development of an assessment report to be transmitted to the Council by March 1, 2017, be REFERRED to your Economic Development, Energy, Agriculture, and Recreation Committee;
25. That the matter relating to establishing a County Office of Agriculture be REFERRED to your Economic Development, Energy, Agriculture, and Recreation Committee;
26. That the matter relating to the license agreement between the County and Maui In-Line Hockey Association for the Kalama Park Inline Skating Facility, which expired on June 30, 2012 be REFERRED to your Economic Development, Energy, Agriculture, and Recreation Committee;
27. That the matter relating to the license agreement between the County and the State for Hale Piilani Park, which expires on May 19, 2016, be REFERRED to your Economic Development, Energy, Agriculture, and Recreation Committee;
28. That the matter relating to licensing animals other than dogs be REFERRED to your Housing, Human Services, and Transportation Committee;



29. That the matter relating to the Housing Interim Financing and Buy-Back Revolving Fund, including the use of funds contributed by Seibu Hawaii, Inc., be REFERRED to your Housing, Human Services, and Transportation Committee;
30. That the matter relating to the lease agreement between the County and Titan International, LLC for the Lanai affordable housing project site, scheduled to expire on May 19, 2017, be REFERRED to your Housing, Human Services, and Transportation Committee;
31. That the matter relating to the potential acquisition of land for the Hale Mua affordable housing project, including a report to the Council on the Committee's findings, be REFERRED to your Housing, Human Services, and Transportation Committee;
32. That the proposed bill, entitled "A BILL FOR AN ORDINANCE AMENDING CHAPTER 12.24A, MAUI COUNTY CODE, RELATING TO THE MAUI COUNTY ARBORIST," be REFERRED to your Infrastructure and Environmental Management Committee;
33. That the matter relating to the Imi Kala Extension project be REFERRED to your Infrastructure and Environmental Management Committee;
34. That the matter relating to the use of 64-gallon carts for residential refuse collection be REFERRED to your Infrastructure and Environmental Management Committee;
35. That the matter relating to a review of the Highway Beautification and Disposal of Abandoned Vehicles Revolving Fund be REFERRED to your Infrastructure and Environmental Management Committee;
36. That the matter relating to a review of the curbside recycling program, or 3-Can Plan, including a determination of the true cost to operate the program and whether the Department of Environmental Management should charge differently than the fee provided in the annual budget, whether the program is operating efficiently, the demand for and feasibility of the program, and whether the program should be discontinued, be REFERRED to your Infrastructure and Environmental Management Committee;
37. That the matter relating to the policies and standards of the Office of Council Services be REFERRED to your Policy and Intergovernmental Affairs Committee;

38. That the matter relating to an evaluation of a policy to allow the applicable department director to waive filing fees for applications filed by or on behalf of any County agency be REFERRED to your Policy and Intergovernmental Affairs Committee;
39. That County Communication 16-29, from Council Chair Mike White, be FILED; and
40. That County Communication 16-60, from Mayor Alan M. Arakawa, be FILED.

CHAIR WHITE: Mr. Hokama.

COUNCILMEMBER HOKAMA: Thank you, Chairman.

That was a mouthful, Mr. Clerk.

I MOVE TO ADOPT ALL RECOMMENDATIONS FOR  
REFERRALS AND THE FILING OF COUNTY  
COMMUNICATIONS AS READ BY THE CLERK.

COUNCILMEMBER VICTORINO:

SECOND, MR. CHAIR.

CHAIR WHITE: We have a motion from Mr. Hokama and a second from Mr. Victorino.

Mr. Hokama.

COUNCILMEMBER HOKAMA: No further discussion, Chairman.

CHAIR WHITE: Members, any need for discussion? Any further discussion? Seeing none, all those in favor please signify by saying "aye".

AYES: COUNCILMEMBERS BAISA, CARROLL,  
COCHRAN, COUCH, CRIVELLO, HOKAMA,  
VICTORINO, VICE-CHAIR GUZMAN, AND CHAIR  
WHITE.

CHAIR WHITE: Those opposed say "no".

NOES: NONE.

CHAIR WHITE: Measure passes with nine "ayes", zero "noes".

One more item, Members. We did not include in, after dealing with County Communication 16-91 from Mr. Carroll, we did not file that. So, without objections, we will file that County Communication.

MEMBERS VOICED NO OBJECTION.

CHAIR WHITE: Thank you.

Mr. Clerk.

DEPUTY COUNTY CLERK: There is no further business before the Council.

CHAIR WHITE: With that, I want to thank all of you for your hard work, and--

COUNCILMEMBER VICTORINO: Chair, Chair.

CHAIR WHITE: And, we will go right to Mr. Victorino. Thank you.

COUNCILMEMBER VICTORINO: Thank you, Chair.

That is from the Mayor of the City of Fukuyama, and this is from the Chair of--

CHAIR WHITE: I think, I think you should open them so that they can, everyone can see.

COUNCILMEMBER VICTORINO: No, no, no, you're Chair. I cannot.

CHAIR WHITE: So, do you want us to open it now?

COUNCILMEMBER VICTORINO: That would be nice.

CHAIR WHITE: Okay.

COUNCILMEMBER VICTORINO: That'll, that would be nice Mr. Chair. And again, the one you're opening right now is from the Mayor, Mayor Hada from Fukuyama City. And the other one is from the Chair the Fukuyama City, Mr. Ogawa, and they asked me if I would please present that to you. And I wanted to make sure I fulfilled my obligations.

And each Member, you have received the official centennial pin for the City of Fukuyama, which was celebrating their 100th Anniversary. They also celebrated their 49th Anniversary of their Flower Festival. And we also celebrated the 8th year of our Sister City relationship with them. So, we had a multiplicity of, of events that culminated with all of this.

So, I wanted to thank all of you for allowing me that opportunity. It was awe, awe inspiring to see what happens. And, as you can see, these were the gifts that was asked by the various officials to bring back to all of you.

Now, I'll give you a little story, on the pins themselves, they ran out. I had to go find a vendor, then bought them all because they had run out by the time I got there. But, I had to bring it back to you. So, we went out to a vendor, and he, I bought all of these, and you know, that was the only way I could get it for you.

So, and I tried to get the gold for the leaders, the pink for Ms. Baisa, you know, the blue for the guys. You know, I try to get it matched up. I was looking for green, but they didn't have green. Sorry, Stacy.

COUNCILMEMBER CRIVELLO: Thank you.

CHAIR WHITE: The Chair would entertain a motion to have Mr. Victorino wear these geta's at our next meeting.

COUNCILMEMBER BAISA: Oh yes.

COUNCILMEMBER COUCH: So moved.

CHAIR WHITE: These are, these are absolutely beautiful. And they smell like pinewood, I believe.

COUNCILMEMBER VICTORINO: They are.

CHAIR WHITE: They are very, very nice.

COUNCILMEMBER VICTORINO: Yes. So, but they're made your size, not mine. I told them what size you were Mr. Chair.

CHAIR WHITE: Good, good try.

Thank you all very much. Thank you, Mr. Victorino for sharing that. And with--

COUNCILMEMBER COUCH: Mr. Chair, we still have the PC Committee meeting. It will start at 4:00.

CHAIR WHITE: Okay. With that, Members, we are adjourned.

### ADJOURNMENT

The regular meeting of May 20, 2016 was adjourned by the Chair at 3:47 p.m.

A handwritten signature in black ink, reading "Dennis A. Mateo". The signature is fluid and cursive, with a long, sweeping line extending from the end of the name.

---

DENNIS A. MATEO, COUNTY CLERK  
COUNTY OF MAUI, STATE OF HAWAII





**HAWAII GOVERNMENT EMPLOYEES ASSOCIATION**  
AFSCME Local 152, AFL-CIO

**RANDY PERREIRA**, Executive Director • Tel: 808.543.0011 • Fax: 808.528.0922

Maui County Council

Testimony by  
Hawaii Government Employees Association

May 20, 2016

RECEIVED  
2016 MAY 18 AM 9:10  
OFFICE OF THE  
COUNTY CLERK

**A BILL FOR AN ORDINANCE RELATING TO THE  
OPERATING BUDGET FOR THE COUNTY OF MAUI  
FOR THE FISCAL YEAR JULY 1, 2016 TO JUNE 30, 2017  
WHICH INCLUDES FUNDING FOR THE  
HGEA UNIT 14 ARBITRATION AWARD**

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO strongly supports the passage of the proposed bill which funds the operating budget for Maui County's upcoming fiscal year. This proposed budget includes funding for the final and binding arbitration award for HGEA Bargaining Unit 14 members – Maui County Ocean Safety Officers.

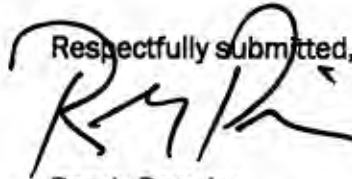
Unit 14 is HGEA's newest bargaining unit formed through legislation in 2013 in an effort to recognize the specialized skills and training needed by Hawaii's Ocean/Water Safety and State Law Enforcement Officers. It was the first new bargaining unit created since the 1970s. After the unit was formed, the employer and union worked for more than a year to establish a new contract but came to an impasse. As is required by law, both sides went to binding arbitration which occurred in November of 2015. During the week-long process both sides presented their cases to the three-member arbitration panel. In February of 2016, the neutral arbitrator finalized a decision for the first ever Unit 14 contract which was a compromise between what the union had been advocating for and what the employer stated they could afford.

Ocean Safety Officers (OSOs) on Maui and in the other counties work in some of the most dangerous ocean conditions in the world and are responsible for beaches with exceptionally high visitor numbers that continue to increase. According to the Hawaii Tourism Authority, in 2014 more than 2.2 million visitors came to Maui. A significant portion came to experience Maui's beautiful beaches and ocean and visited those beaches multiple times during their stay. Based on recent statistics, attendance at Maui County beaches for 2014-15 totaled 3,376,311. OSOs took 163,079 preventive actions and performed 438 rescues, including 5 resuscitations. They also were involved in 280 jet ski rescues and more than 200 incidents where an ambulance or the fire department was called. These employees are first responders who enable visitors and residents to enjoy the beaches of Maui safely.

For years OSOs were not paid commensurate with the dangerous work they perform on a daily basis because they were part of a bargaining unit which represents primarily clerical workers. The arbitration award fairly compensates them for the risks they take on the job every day. In addition, the arbitration panel award reflects a fair wage for the vital work that the OSOs do to keep residents and visitors safe.

We urge you to pass a budget for Maui County that includes funding for the Unit 14 arbitration award. Thank you for the opportunity to submit testimony in support of fully funding Maui's Ocean Safety Officers.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Randy Perreira', written over the typed name.

Randy Perreira  
Executive Director

## **COUNCIL AMENDMENT TALKING POINTS**

### **May 20, 2016**

#### **DELETION OF TWO BATTALION CHIEF POSITIONS**

- These positions manage eight companies with a total of 40 personnel on a daily basis. They manage all incidents in all of West Maui, Wailuku, Moloka'i, and Lana'i. They are also the first backup to Battalion One, which encompasses the rest of Maui County. During incidents that involve life-safety and during large scale incidents, the Battalion Chiefs are responsible for being the incident commander.

#### **OCEAN SAFETY MERGER**

- With the support of the Mayor's office and staff, both my Department and the Department of Parks and Recreation are ready and willing to move forward with the merger. However, we need to receive funding for the following items that were deleted prior to first reading in order for that to happen:
  - Seven Ocean Safety Officers
    - These personnel are necessary. The deletion of these OSO positions may create manpower shortages which will mean imminent beach closures and will create major safety concerns for lifeguards and beachgoers.
  - Two Clerical Positions
    - Secretary and Office Operations Assistant II. Our Department currently has an administrative support staff of 12 to support 314 uniformed employees. In comparison to MPD, who has a support staff of approximately 143 and a uniformed employees of approximately 366. With the addition of 60.5 to our 314 uniformed employees, you are asking my already overtasked staff to support 374.5 uniformed employees. It is

unrealistic to expect 12 clerical staff to support 374.5 uniformed employees.

- One Automotive Mechanic I Position

- We currently have more than 120 vehicles, trailers, jet skis and other equipment that our four mechanics currently service and repair. The addition of Ocean Safety will add to the fleet over 46 (vehicles, trailers, jet skis, and quads/ATVs.)

SHOULD ANY OF THESE ITEMS NOT BE RESTORED, WE ARE UNABLE TO COMPLETE THE MERGER AS WE HAVE WORKED VERY DILIGENTLY TOWARDS FOR THE PAST THREE AND A HALF YEARS. WE WILL HAVE TO DEFER THE MERGER UNTIL IT IS COMPLETELY SUPPORTED AND FUNDED BY THE COUNCIL.

- Based on the Charter Amendment Section 15-4 "Upon adoption of the proposed 2012 amendment to Section 8-7.4, the Maui County Department of Fire & Public Safety shall provide the timetable for the transition to include the functions of shoreline and ocean rescue and safety." As the representative of the Maui County Department of Fire & Public Safety, I have no choice but to exercise the responsibility given to me by the voting public to deny the merger of Ocean Safety to the Department of Fire and Public Safety as of Fiscal Year 2017 as it is currently proposed. Commencing with the merger without the above items will create a detriment to our staff and to the public. It is my responsibility as your Fire Chief to serve and protect the Community and the personnel who serve under me to the best of my abilities. We are ready and willing to move forward with the merger, and on behalf of my staff and the Department of Parks and recreation, who have worked and planned for the merger, we strongly urge you to reconsider the budget as you have proposed and to restore

the above items so that we can move forward with the merger on July 1, 2016. Mahalo.



## Testimony for Bill 43 From Thomas Croly

The assertion has been made by some, that Short term rental home use is both driving price of real estate and causing a shortage of resident housing through the sales of resident housing to investors who convert it to short term rental housing.

While there may be antidotal evidence that this has occurred in isolated circumstances. A look at the number of single family homes sold and the percentage of those homes sold that later were granted a Short term rental permit reveals that roughly ½ of 1 percent of home sold in the past 15 years were later granted permits.

This data clearly shows that permitted short term rental use is neither a significant market force and conversion of **legally permitted** short term rental homes is not having any significant impact on resident housing units.. Therefore it would **NOT** be useful to further restrict the ability for new purchasers to obtain a short-term rental permit and any such additional restrictions would **NOT** address the issue of unpermitted short term rental use.

### Short Term Rental Home permit analysis

	Single Family	Permitted STRHs	
Year	Total sales	Total STRH	Percentage
2001	1005	3	0.30%
2002	978	3	0.31%
2003	1420	3	0.21%
2004	1221	8	0.66%
2005	1316	11	0.84%
2006	1088	5	0.46%
2007	1142	8	0.70%
2008	907	3	0.33%
2009	693	3	0.43%
2010	814	6	0.74%
2011	901	3	0.33%
2012	933	12	1.29%
2013	984	3	0.30%
2014	943	7	0.74%
2015	1089	1	0.09%
<b>Totals</b>	<b>15434</b>	<b>79</b>	<b>0.51%</b>



*REALTORS®  
Association of  
Maui, Inc.*

441 Ala Makani Place  
Kahului, Maui, HI 96732-3507  
Phone: 808-243-8585 ~ Fax: 808-243-8585  
Dave DeLeon, Government Affairs Director  
Cell: 808-281-3269  
E-mail: GAD@RAMaui.com  
www.RAMaui.com

---

May 20, 2016

**TESTIMONY**

**RE: COMPLETION OF THE SHORT-TERM RENTAL ORDINANCE UPDATE**

Aloha. I am David DeLeon speaking on behalf of the Realtors Association of Maui. Our association has been monitoring the Council's efforts to complete the update of the County's Short-term Rental Ordinance (MCC.19.65), but had not seen a need to interject our perspective until now. What brings us to the microphone today is the proposal to restrict applications for STR permits to only those owners who have owned the subject property for more than five years. While RAM respects the concerns that were the catalysis for this proposal and the sincerity of the proposer, we find we must speak in opposition to it for the following reasons:

1. There are three fundamental property rights: to own, to rent, and to sell. This proposal would severely limit one of those elementary rights without good cause.
2. This proposal came on second reading at the end of a two-year long review of this ordinance. It would severely limit property rights without giving the affected property owners good notice. Such a significant change in the character of the law under review deserves a more thorough public discussion than a single reading before the Council.
3. Such a significant last minute change negates the deliberate process the Council's Planning Committee employed in this review.
4. A fundamental goal of this ordinance is to give owners an opportunity to legally rent their properties for short periods. This proposal would eliminate that right for many owners, and would encourage some to rent illegally.
5. The proposal seems to be addressing a perceived problem in a particular community, yet the proposed solution would be applied Countywide.
6. While there is a perception that Short-term Rentals are a contributing factor in our ongoing housing crisis, the data says otherwise. The far majority of these properties are simply too valuable to ever be affordable for most residents.
7. If the supply of affordable housing is the problem being addressed by this proposal, then the correct answer is to increase housing development. Economists tell us we need to build 1,400 homes a year to just keep up with natural population growth. We are building closer to 200 homes a year. Until we correct that equation, the housing crisis will continue, whether we restrict property owners' rights or not.

We ask that you pass the proposed bill without further amendments. Mahalo for this opportunity to speak.

## FW: Richard Dan Public works proposed project on Vineyard Street

MW

Mike White

Today 11:01 AM

County Clerk

Reply all |

Inbox

RDantestimony on Vine...

14 KB

Download Save to OneDrive - County of Maui Office of Council Services

RECEIVED  
2016 MAY 18 AM 11:09  
OFFICE OF THE  
COUNTY CLERK

**From:** Richard Dan [mailto:bigrich@aloha.net]

**Sent:** Wednesday, May 18, 2016 10:00 AM

**To:** 'bf.committee@mauicounty.us'; Riki Hokama <Riki.Hokama@mauicounty.us>

**Cc:** Mike White <Mike.White@mauicounty.us>; Donald S. Guzman <Donald.Guzman@mauicounty.us>;

Michael Victorino <Michael.Victorino@mauicounty.us>; Gladys Baisa <Gladys.Baisa@mauicounty.us>;

Robert Carroll <Robert.Carroll@mauicounty.us>; Elle Cochran <Elle.Cochran@mauicounty.us>; Don

Couch <Don.Couch@mauicounty.us>; Stacy S. Crivello <Stacy.Crivello@mauicounty.us>;

regan808@gmail.com; joeb@mauiproperty4you.com

**Subject:** Richard Dan Public works proposed project on Vineyard Street

TO: Chairman Riki Hokama and members of the Budget & Finance Committee

FROM: Richard Dan

RE: Testimony on Vineyard Street drainage corrections/improvements, meeting of May 20, 2016

My name is Richard Dan and my family business owns the building at 92-98 North Market Street, home of Maui Sporting Goods and our business, Kamaaina Loan And Cash For Gold.

If you drive by the building during times of heavy rain, like last week, you will see sandbags around the retail store doors and on the sidewalk wheelchair ramp.

Water flowing down Vineyard Street floods intersections and causes problems in many stores.

I paid a professional engineer to study the situation and he concluded that the county's drainage was installed incorrectly. In conversations with Public Works Director David Goode, he agrees with that. So that has to be fixed and the sooner the better.

Mr. Goode or I can supply your committee with our correspondence about the drainage, and there is a Youtube video of flooding in the street at

<https://youtu.be/52EFYRf5B2E>

In the Mayor's budget report 16-84, page 884, provisions are proposed to at least design and plan for the revision of the drainage.

This would benefit me, but also much of downtown Wailuku, from Central Avenue on down.

The planning would require \$500,000, and I am informed by Mr. Goode that the construction would be an additional sum, perhaps another \$500,000. I urge you to appropriate at least \$500,000 in the coming budget.

Mr. Goode tells me that with design work in place, the Department of Public Works would be prepared to seize opportunities for federal funding assistance.

If the complete project cannot be contemplated in the current budget, planning funding would be a prudent expenditure that would save county taxpayers money in the long run, since the work will have to be done.

The planning and design can take account of proposals for the rebuilding of the municipal parking lot with a new civic center. All in all, the amount requested will begin to address several concerns and I urge you to fund the whole project but if that is not possible this year, then at least the design funding.

Mahalo Richard Dan  
808 242-5555

# MAKILA RANCHES INC.

305 E. Wakea Avenue • Suite 100  
Kahului • Hawaii • 96732

---

May 4, 2016

Honorable Mike White and Members  
Maui County Council  
County of Maui  
200 South High St., 8<sup>th</sup> Floor  
Wailuku, HI 96793

RE: **LAND ACQUISITION**  
**Real Property at Launiupoko, Maui**  
**Old TMK No. (2) 4-7-001:026 (PORTION), New TMK No. (2) 4-7-014:012**  
**Property 'B' or Lot 12 of Ranches Phase 2, approximately 37.7 acres**

Dear Chairman White and Members:

First, thank you for your commitment to oversee the County's budget and finance process. We know it is a formidable and thankless task, and we appreciate the countless hours you and the Budget and Finance Committee have put towards this work.

I am writing to express our partnership's disappointment about recent recommendation indicating that the Council does not intend to perform in accordance with the terms of our contract to acquire the 1.2-mile stretch of coastal land from Launiupoko Beach Park to Puamana. (See page 56 of the FY 2017 Budget and Finance Committee Proposal, May 1, 11:46 PM attached as Exhibit "A".) The property is "Property 'B'" shown on the maps attached hereto as Exhibit "B". A timeline of events and proceeding from 2013 to the present is attached as Exhibit "C".

I am sure our disappointment will be shared by the community groups and individuals who supported the public's ownership of this land when it was unanimously approved by the Council's 12/20/13 Resolution No. 13-151, and the contract was signed. We hope there is still time for the Council to reconsider and recommend County's completion of this transaction.

I, Public Benefit. We hope you will recall the testimony and consensus and reconfirm that the 8.5-mile-long Pali to Puamana Park would provide unparalleled value to Maui's residents and visitors and would be a source of pride

RECEIVED  
2016 MAY 16 AM 10:07  
OFFICE OF THE  
CLERK OF THE  
COUNTY OF MAUI



May 4, 2016

**LAND ACQUISITION: Real Property at Launiupoko, Maui**

Page 2 of 3

for the County of Maui. As stated by council members and strong public testimony, the Pali to Puamana Park is a priceless, long-term asset. A major portion of this coastal park is now achievable with the recent selection of the new highway alignment and the awarding of a design-build contract for the southern terminus of the Lahaina Bypass, Phase 1B-2. This will re-route regional traffic causing the existing Honoapiilani Highway to become a quiet coastal route primarily used for local traffic and shoreline access.

Other immediate benefits to the County owning Property 'B' would be:

- The use of the existing cane haul road located on the subject property in the event of Highway closures.
- The space for any needed mauka relocation of any part of Honoapiilani Highway will be gained.

2. We Have Performed Our Side. We have done our best to perform our side of the contract, including transferring to the County Property 'A' (148 acres) and granting easements over Property 'B' for the Lahaina watershed project and the police tower. Also, we have incurred the cost of an ALTA survey and legal fees in preparation for closing. We also agreed to allow the County to impose certain conditions and requirements in reliance on the County's future acquisition, including:

- We carried out the Planning Director's request to designate the land on the Makila Ranches-Phase 2 subdivision plat as a "non-developable greenway and bikeway to be sold to the County of Maui per Resolution No. 13-151," thereby encumbering the future use of that land.
- We agreed in the SMA approval of the subdivision to keep the internal subdivision roadway open to the public.
- We agreed that the Maui Island Plan could designate the land as "park" on the Protected Areas Diagram.

We would not have consented to these measures if we had known that the County would not follow through on its purchase contract.

3. Our Contract, Going Forward. If in the end, the Council decides to fund and perform in accordance with the terms of our contract, we will honor our commitment to the community. If the transaction is still possible, we agree to give

May 4, 2016

**LAND ACQUISITION: Real Property at Launiupoko, Maui**

Page 3 of 3

the Council additional time to approve the release of funds. However, Makila will not extend the closing indefinitely. If the County does not complete the purchase of Property 'B' by July 31, 2016, Makila will proceed with other plans for the land.

We thank you for your careful consideration.

Very truly yours,

A handwritten signature in black ink, appearing to read 'J. Stephen Goodfellow', written over the typed name.

J. Stephen Goodfellow

Attachments

CC (via email):      Office of the Mayor  
                             Danny Agsalog, Finance Director  
                             Sandy Baz, Budget Director  
                             Kaala Buenconsejo, Parks and Recreation Director

**EXHIBIT 'A'**  
FY 2017 Budget and Finance Committee Proposal

1	A	B	D	E	F	G	H
		Description	Mayor	Revisions - A	B	C	Total
1597		b. Other Projects					
1598		(1) Bond Fund					
1599		ii) Countywide Equipment					
1600		Delete Equipment for Public Works, Fire and Public Safety		2,870,000			
1601		Restore (1) Vacuum Street Sweepers		310,000			
1602		Net appropriation					3,190,000
1603							
1604		iii) Laysan Island Land Acquisition	0				
1605		Add, withhold Bond Authorization		2,273,000			
1606		Net appropriation					2,273,000
1607							
1608		<b>DEPARTMENT OF FIRE AND PUBLIC SAFETY</b>					
1609		COUNTYWIDE					
1610		a. Government Facilities					
1611		(1) General Fund					
1612		ii) Countywide Fire Facilities	300,000				
1613		Delete		-300,000			
1614		Net appropriation					0
1615							
1616		(2) Bond Fund					
1617		ii) Countywide Fuel Tank Replacements	105,000				
1618		Delete		-105,000			
1619		Net appropriation					0
1620							
1621		LANAI COMMUNITY PLAN AREA					
1622		a. Government Facilities					
1623		(1) General Fund					
1624		ii) Lanai Fire Station Improvements	10,000				
1625		No revision					
1626		Net appropriation					10,000
1627							

**EXHIBIT 'A' CONTINUED**  
FY 2017 Budget and Finance Committee Proposal

	A	B	D	E	F	G	H
		Description	Mayor	Revisions - A	B	C	Total
2783		Open Space, Natural Resources, Cultural Resources, and Scenic Views Preservation Fund (Section 9-19, Revised Charter of the County of Maui (1983), as amended; Chapter 3.88, Maui County Code)	13,520,817				
2784		Adjustment for Certification		(1,216)			
2785		Adjustment		(32,769)			
2786		(1) Land acquisition and related costs subject to Chapter 3.88, Maui County Code, for Ukumehame, Maui, Hawaii, TMK: (2) 4-8-002:057, totaling approximately 9.1 acres in the amount of \$304,500					
2787		(2) Debt service of \$300,000 for the purchase of approximately 186 acres at Launiupoko, TMKs: (2) 4-7-001:030 and (2) 4-7-001:026 (por.)					
2788		(3) Land acquisition and related costs subject to Chapter 3.88, Maui County Code, for Launiupoko, TMK: (2) 4-7-014:012, totaling approximately 37.7 acres in the amount of \$2,273,000					
2789		<del>(4) Land acquisition and related costs subject to Chapter 3.88, Maui County Code, for the acquisition of Duke Park, Lanai, in the amount of \$120,000.</del>					
2790		<del>(4) Land acquisition and related costs subject to Chapter 3.88, Maui County Code, for Kuahala, Hanalei, Maui, Hawaii, TMKs: (2) 2-7-007:079, (2) 2-7-007:081, (2) 2-7-007:082, and (2) 2-7-007:083 (por.), totaling approximately 207 acres in the amount of \$3,000,000.</del>					
2791		Net estimated revenue					13,486,832
2792							
2793		Emergency Fund (Section 9-14, Revised Charter of the County of Maui (1983), as amended; Chapter 3.96, Maui County Code)	35,201,919				
2794		No revision					
2795		Net estimated revenue					35,201,919
2796							
2797		Ocean Recreational Activity Fund (Section 12.04 340) <del>12,04A, 370</del> , Maui County Code)	497,368				
2798		No revision					
2799		Net estimated revenue					497,368
2800							

Deleted Mayor's proposed use of Open Space Funds for the Launiupoko Land Acquisition



FIGURE 10: U.S. SHOULD TAKE ACTION TO REDUCE GLOBAL WARMING

Note:  
Makila Ranches Phase 1 lots will have County standard front, side, and rear setbacks.  
Setbacks shown for Makila Ranches Phase 2 are approximate.  
This map is conceptual and prepared for general information purposes only.





## Overview Makila Ranches



Island of Maui

**Note:**  
Makila Ranches Phase 1 lots will have County standard front, side, and rear setbacks.  
Lot areas shown are the net acreage (gross lot area less flag, access easements, and area within the By-Pass Corridor).  
This map is conceptual and prepared for general information purposes only.

# MAKILA RANCHES INC.

305 E. Wakea Avenue • Suite 100  
Kahului • Hawaii • 96732

---

## Exhibit 'C'

### Timeline of Events

- 12/20/13 Council unanimously adopts Resolution No. 13-151 Approving the Acquisition of Approximately 186 Acres in Launiupoko, Maui.
- 01/10/14 Council adopts Ordinance Nos. 4095 and 4096 (Bill no. 99 & 100); amending the 2014 Fiscal Year Budget for the West Maui Land Acquisition.
- 01/14/14 Acquisition Agreements for Property A and Property B are executed by County and Seller. Closing date for Property B is 45 days after final subdivision approval or 27 months from the adoption of the budget amendment, whichever occurs sooner.
- 02/24/14 County acquires Property A (148 acres, \$9.9M)
- 05/05/14 Easements for the Flood Control Project and Police Tower in favor of the County over Property 'B' are recorded (approx. 10-acres, \$828K)
- 06/25/15 Makila Ranches Phase 2 Final Subdivision Approval (Sub. File no. 4.927). Note on final subdivision plat: "Lot 12 is a non-developable greenway and bikeway lot to be sold to the County of Maui per Resolution no. 13-151."
- 07/01/15 to 08/10/15 Closing documents prepared, ALTA survey completed. Conveyance documents, title reports, ALTA survey are reviewed and approved by the County. Seller executes documents; closing scheduled for Aug. 18, 2015.
- 08/15/15 County informs Seller that the funds have lapsed; closing cannot occur.
- 08/16/15 Expiration of Closing Acquisition Agreement for Property B (45 days after final subdivision approval, plus a 7-day extension agreed upon by both parties).
- 08/19/15 Makila agrees to extend closing to allow re-appropriation of the lapsed funding.

Exhibit 'C' continued

**LAND ACQUISITION: Real Property at Launiupoko, Maui**  
Page 2 of 2

- 08/24/15 Office of the Mayor transmits request to amend the Fiscal Year 2016 Budget by \$2,271,822 from the \$6.5M FY2014 appropriation that lapsed. Budget & Finance Committee fails to schedule the requested amendment.
- 03/24/16 Mayor transmits budget recommendation for FY 2017 that includes appropriation of Open Space funds for the Launiupoko Land Acquisition.
- 05/01/16 Budget and Finance Committee deletes appropriation of funding from Open Space, transfer to Bond Funds and adds clause 'withhold Bond Authorization' for the Launiupoko Land Acquisition.

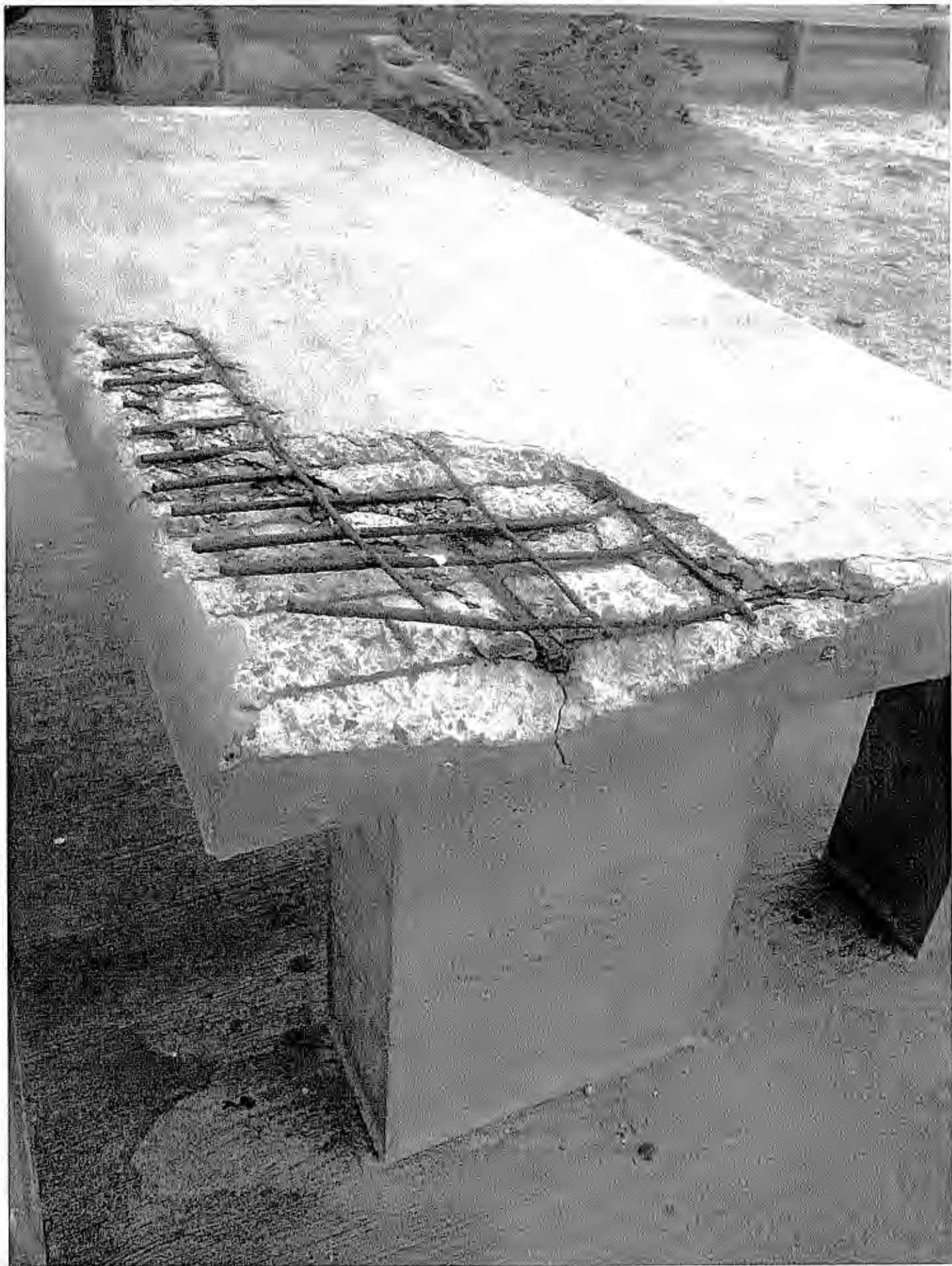
Dustin Testen



















ALAN M. ARAKAWA  
Mayor

STEWART STANT  
Director

MICHAEL M. MIYAMOTO  
Deputy Director

MICHAEL P. RATTE  
Solid Waste Division

ERIC NAKAGAWA, P.E.  
Wastewater Reclamation Division



COUNTY OF MAUI  
DEPARTMENT OF  
ENVIRONMENTAL MANAGEMENT

2050 MAIN STREET, SUITE 2B  
WAILUKU, MAUI, HAWAII 96793

May 3, 2016

Mr. Sananda K. Baz  
Budget Director, County of Maui  
200 South High Street  
Wailuku, Hawaii 96793

Honorable Alan M. Arakawa  
Mayor, County of Maui  
200 South High Street  
Wailuku, Hawaii 96793

APPROVED FOR TRANSMITTAL

  
Acting Mayor  
5/4/16  
Date

For Transmittal to:

Honorable Mike White  
Chair, Maui County Council  
200 South High Street  
Wailuku, Hawaii 96793

Dear Chair White:

**SUBJECT: FISCAL YEAR ("FY") 2017 BUDGET (BF-1)**

The County would like to update the Rates and Fees for the Interim Fee Schedule, applicable at County landfills where there are no scales or when scales are inoperable, to coincide with the new scaled tip fee of \$81/ton for Municipal Solid Waste (MSW). The adjusted fees are provided below by the Department of Environmental Management (DEM):

Interim Fee Schedule – applicable at County landfills where there are no scales or when scales are inoperable.

- Category I: Light trucks or other vehicles with a gross vehicle weight of less than 10,000 pounds: ~~[\$68]~~ \$69 per truck load; ~~[\$21]~~ \$25 for [separated recyclable items.] uncontaminated green waste
- Category II: Medium trucks or other vehicles with a gross vehicle weight from 10,000 to 19,999: ~~[\$135]~~ \$137 per truck load; ~~[\$34]~~ \$40 for [separated recyclable items.] uncontaminated green waste
- Category III: Large trucks or other vehicles with a gross vehicle weight from 20,000 to 25,999 pounds: ~~[\$198]~~ \$200 per truck load; ~~[\$51]~~ \$60 for [separated recyclable items.] uncontaminated green waste
- Category IV: Large trucks or other vehicles with a 12 cubic yard capacity: ~~[\$220]~~ \$222 per truck load; ~~[\$56]~~ \$65 for [separated recyclable items.] uncontaminated green waste



Category V: Large trucks or other vehicles with a 20 cubic yard capacity: ~~[\$378]~~ \$382 per truck load; ~~[\$90]~~ \$105 for [separated recyclable items.] uncontaminated green waste

Category VI: Commercial refuse hauling trucks:

1. Roll off (not compacted) ..... ~~[\$540]~~ \$546 per truck load; ~~[\$132]~~ \$155 for [separated recyclable items] uncontaminated green waste
2. Roll off (compactd) ..... ~~[\$833]~~ \$843 per truck load; ~~[\$201]~~ \$235 for [separated recyclable items] uncontaminated green waste
3. 42 cubic yard front end loader ..... ~~[\$954]~~ \$965 per truck load; ~~[\$231]~~ \$270 for [separated recyclable items] uncontaminated green waste
4. 20 cubic yard front end loader ..... ~~[\$450]~~ \$455 per truck load; ~~[\$107]~~ \$125 for [separated recyclable items] uncontaminated green waste

Should you have any questions, please contact Jim Peat, Solid Waste Division Accountant IV, at 270-5732.

Sincerely,



STEWART STANT, Director  
Department of Environmental Management

cc: Michael Ratte  
James Peat

Reply all | Delete Junk |

## RE: FW: Aloha, Planning Committee

M

madonna@thegalvanicgift.com

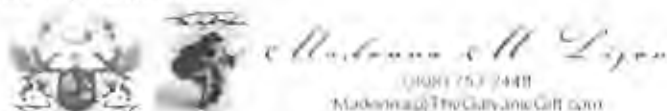
Tuesday 11:44 AM

PC Committee; County Clerk; Lindy Nuuanu <anela1797@yahoo.com>

Reply all |

Mahalo...

Aloha, Madonna



RECEIVED  
MAY 10 PM 4:57  
OFFICE OF THE  
COUNTY CLERK

-----Original Message-----

From: "PC Committee" <PC.Committee@mauicounty.us>

Sent: Tuesday, May 10, 2016 8:59am

To: "County Clerk" <County.Clerk@mauicounty.us>

Cc: "madonna@thegalvanicgift.com" <madonna@thegalvanicgift.com>, "Lindy Nuuanu" <anela1797@yahoo.com>

Subject: FW: Aloha, Planning Committee

Forwarding testimony on the Molokai Community Plan to the County Clerk's Office since it has not been referred to the Planning Committee yet, and is still with the Council.

From: madonna@thegalvanicgift.com [mailto:madonna@thegalvanicgift.com]

Sent: Tuesday, April 26, 2016 2:58 PM

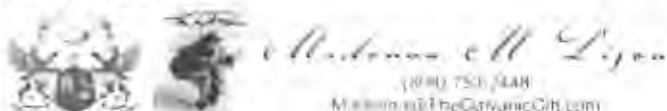
To: PC Committee <PC.Committee@mauicounty.us>

Cc: Lindy Nuuanu <anela1797@yahoo.com>

Subject: Aloha, Planning Committee

We have further worked on the West End Policy after conferring with Kaluakoi who wanted to be part of the original Maunaloa West End Policy that was submitted by the Planning Department as of the March 24 meeting as the West End Policy. We added the table of contents, strikeouts and revisions and additions, and a cover sheet. Mahalo for your kind attention.

Aloha, Madonna



MOLOKAI PLANNING COMMISSION  
COUNTY OF MAUI  
STATE OF HAWAII

IN THE MATTER OF THE )  
MAUNALOA WEST END COMMUNITY, )  
COUNTY OF MAUI, )  
STATE OF HAWAII, )  
FOR THE SUBMISSION OF THEIR )  
MAUNALOS WEST END POLICY )  
\_\_\_\_\_ )

REVISED WEST END POLICY  
WITH TABLE OF CONTENTS

Residents of Island of Molokai

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Page 1 title, **MAUNALOA WEST END POLICY**

Page 1, 1<sup>st</sup> para. This **MAUNALOA WEST END POLICY**

**Page 2, 3<sup>rd</sup> para.** The Kaluakoi Community consists of 625 property owners on the West end of Molokai. This is divided into approximately 292 land owners, including developed but unsold property owned by Molokai Ranch or their subsidiaries, and 346 owners of condominiums. Of the 295 parcels not owned by Molokai Properties Limited (MPL) or their subsidiaries, 190 of the lots are still vacant. MPL and their subsidiaries own 31 vacant lots in Papohaku Ranchlands, two lots that are the right of ways that contain all public utilities and roads in the Kaluakoi area, a shuttered and abandoned hotel/restaurant/tennis facility that was closed in 2001, and an 18 hole golf course that was closed in 2008. Of the 335 condominiums on the West end, approximately 200 of these condominiums are in short term rental programs. There are 75 full time families living in the Kaluakoi community with the remainder of the owners occupying their homes on a part time basis and as second homes. The Kaluakoi Community property represents over \$200,000,000 in assessed value and in 2014 paid over \$2,000,000 in Property Taxes to Maui County which contributes to the health of the Molokai community.<sup>7</sup>

---

<sup>7</sup>Richard Westlund, President of Kaluakoi Association 2016.

**Page 2, bottom para. II. MAUNALOA SUBSISTENCE:**

**Page 3, 3<sup>rd</sup> para.** Though we feel hHunting opportunities should be limited to Molokai residents, others who wish to hunt will be accompanied by a Molokai hunter(s) to ensure the hunting management plan is enforced.

The current lessee treats the land as his, refusing entry to Maunaloa residents to hunt and fish for what has fed our families for generations.

Page 4, 2<sup>nd</sup> para. Selling of meat is objected to by the majority of the Maunaloa residents. There is a commercial endeavor already in place. This policy addresses the desire of no commercialization of the majority of the Maunaloa residents. Domestic and wild grazing animal monitoring by the community is of the utmost necessity. Commercialization of this resource infringes on the subsistence of the Maunaloa residents.

Page 4, 3<sup>rd</sup> para. Maunaloa hunters should be given priority for hunting passes to hunt on undeveloped lands. Bullets have gone through homes of residents and that poses a danger to residents in those homes.

Page 5, 2<sup>nd</sup> para. It is imperative for them to hunt on undeveloped lands. Bullets have gone through homes of residents and that poses a danger to residents in those



homes. The intention is to set an excellent example for the young for a proper hunting management.

Page 5, 6 para.

1. Permit access to the ocean for gathering rights for subsistence,
2. The three (3) fish ponds around Waikane Gulch be restored, cleaned, and maintained

Page 6, 3<sup>rd</sup> para. In short, the natural resources of deer, turkey, and marine life found on the *West End* of Molokai are extensive and require careful treatment.

**Page 7, 4<sup>th</sup> para.**

1. Urge the Molokai Ranch subsidiary, Molokai Public Utility, to construct a pipeline directly from Well 17 to the Maunaloa and West End water treatment plant. This would eliminate the Molokai Irrigation System (MIS) transport expense, deliver a higher quality source to the treatment plant, and lower the water costs to all West End users.
2. Check, update and if necessary, reconstruct the infrastructure water delivery system to West End.

**Page 8, IV. COMMUNITY HEALTH SERVICE CENTER:**

**Page 8, bottom of page**

**A. Build a Community Health Service Center:**

1. Build a *West End* Community Health Service Center. This facility will house medical, dental, health, and drug abuse services. A library-cultural center will be part of this community center.

Page 9, bottom of page

1. Support the placement of the Kaluakoi Roads, LLC right of way and roads into the Maui County Road system with public access and public interest preserved for all residents of Molokai.
2. Support the paving of Kaluakoi roads, it is in bad need of repair. Both Molokai Ranch and the City and County and wealthy landowners should share the repair cost. All City and County vehicles utilize the same road.
3. Dedicated bicycle/walking path along Kaluakoi/Pohakuloa from highway 460 up and including Dixie Maru. There is heavy pedestrian/bicycle traffic.
4. Fix deplorable conditions of access paths.

Page 10, 4<sup>th</sup> para. *West End's* environment, rich in natural resources, particularly marine and fauna, balances on a sensitive ecological system that requires the utmost in planning care for its survival. A detailed understanding of its content and the hazards it faces are required to carry out this task. Though historically *West End* was verdant and abundant with many flowing streams, today west end gets water from only well 17. The



soil once fertile, today, is more dry and arid. In Hawaiian cultural mo'olelo (history, tradition, journal), once pono (righteousness, well-being, prosperity, welfare, benefit, true condition of nature) is restored, abundance will be restored. This brings the past, present, and future in one single plane.

Page 11, 3<sup>rd</sup> para. *Ocean* - ~~The rich environmental characteristics of the land give rise to a pristine ecosystem correspondingly as rich.~~ **The ocean is rich with marine life.** Both near shore and ocean gathering opportunities remain adequate for commercial as well as domestic purposes.

Page 11, 4<sup>th</sup> para. on the ~~West~~ **East** End contain indigenous plant life still exists. These habitats, whether mountain or coastal located, often provide the surroundings necessary for endangered animal life to survive, such as the *Koloa* Duck and Hawaiian Stilt. These areas further provide habitats for endangered birds as well as nesting grounds for several migratory species. **West End is peppered with shrub, grasses, pine trees, kuikui nut, hao, fern, and kiawe trees. The land is abundant with axis deer, wild turkey, and other fauna.**

Page 11, under Water

1. ~~Control~~ **The West End supports the existing water allocation** withdrawal from well 17. ~~Expanded withdrawal may have significant effects to freshwater discharge into streams, which may have a detrimental effect on natural, cultural, and subsistence resources.~~

Page 12, 3<sup>rd</sup> para, No. 6.

**Explore desalinization to increase water supply on West End.**

Page 12, under D. Control Erosion No. 2

1. Control deer population.
2. **Implement hunting management plan.**
3. Control cattle grazing.

Page 13, under Keep Ocean Pristine, 1<sup>st</sup> para.

1. Protect mauka to makai stream flow, **present and future**, which is essential to the survival of native stream life.

Page 13, under E. Prevent Invasive Species Growth., 3<sup>rd</sup> para,

- 1.
- 2.
3. Use common sense to preserve **and malama (care for)** the area how you found it.



Page 13, under VII. Cultural Resources and Traditional Land Uses, 2<sup>nd</sup> para.  
Maunaloa West End plan

Page 17, under D. Moratorium, 2<sup>nd</sup> para.

1. A moratorium on the use of water which will guarantee the environmental conditions necessary to promote the above.
2. A permanent moratorium against the development of tourist related accommodations or businesses which will subsequently change the social infrastructure of the area **with the exception of the RESTORATIONS mentioned in parts of this document such as Kaluakoi, Kaupo, etc. Restoration is seen as fixing what is already there rather than further development.**

Page 18, 8th para.

~~The a~~ **A** great number of the Maunaloa residents is on welfare, section 8 assistance, or both.

Page 18, 10<sup>th</sup> para.

Economic growth has to proceed with this value/income system in perspective. Placing the ~~West End in a single industry category as~~ **Restoration of the Kaluakoi resort and Kaupo tentallows** will ~~subject~~ **provide** residents to an ~~with~~ employment situation for which there is little experience or training. **in this slow economy where employment is scarce.** Jobs would be of service-maintenance **which generally requires low level entry.** ~~orientation and competition from in-migration would be high as on Maui.~~

Page 18, last para.

A preferred avenue to follow would be one that makes better use of the present **abandoned infrastructure**, natural and social resources available in *West End*.

Page 19, 2<sup>nd</sup> para.

This would generate employment providing island wide benefit to residents and tourist alike. **Tourist who come to Molokai for this peaceful rural community lifestyle.**

**Page 20, under Restore:**

1. Restore golf course, restaurant and surrounding buildings at Kaluakoi. Negotiate with Molokai Ranch to restore with the help of the City and County. This would create employment opportunity as well as tourist interests while utilizing what is already present. The infrastructure still exists at Kaluakoi **and Kaupo**. This restoration will help rebuild rapport and bridge the distrust that exists between the *West End* residents and the Molokai Ranch.
2. ~~Great driving range and mini golf course. This creates employment opportunity as well as serve tourist interests. Location would be along Maunaloa Highway on the makai side where a large open space exists.~~
- 3.
4. Page 20, para 4. Create **Restore** Mom n Pop restaurants that deliver to *West End* residents. Due to exorbitant costs of maintaining a business on Molokai, the Mom n Pop stores are a more reasonable alternative. Whether there is a number



or simply one (1) that rotates menus remains to be seen. Delivery of meals is an enhancement to the business.

Page 21, 2<sup>nd</sup> para.

5. Reconstruct **and restore** a camp area for utilization by the Molokai community for conference meetings and large events. This would be a win-win for Molokai community and Molokai Ranch. Provide Island wide education for use and maintenance.

Page 21, 3<sup>rd</sup> para. The opportunities for alternative economic growth are unlimited in *West End* and these listed are but a few that can coexist within the value framework of the *West End* community. The resident opinion is to stress the desire **to preserve** this lifestyle we have, and tailor growth **and restoration** so as not to lose the greater part of it **this lifestyle** or forfeit the options we hope to keep for our children.

Page 21, under IX. **LAND USE:**

Critically examine potential solutions including potential effects upon the āina using eight resource realms. These realms provided the ethical foundation for the decision making process;<sup>25</sup>

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<sup>25</sup>Presentation by Dr. Kawika Winter, ethnobotanist and director of Limahuli Garden and Preserve on the island of Kaua'i. Dr. Winter is a former hālau member of Hālau Hula o Kukunaokalā, led by the late Kumu John Ka'imikaua, who re-introduced the history of the ancient 'aha councils in his film *A Mau A Mau* and in educational workshops on Moloka'i. It was Kumu John's wish to revitalize the 'aha councils to restore pono to the land and people.

1. Moana-Nui-Ākea – the farthest out to sea or along the ocean's horizon one could perceive from atop the highest vantage point in one's area.
  2. Kahakai Pepeiao – where the high tide is to where the lepo (soil) starts. This is typically the splash zone where crab, limu, and 'opihi may be located; sea cliffs; turtles and seabirds nest; or extensive sand dune environs.
  3. Ma Uka – from the point where the lepo (soil) starts to the top of the mountain.
  4. Nā Muliwai – all the sources of fresh water, ground/artesian water, rivers, streams, springs, including springs along the coastline that mix with seawater.
  5. Ka Lewalani – everything above the land, the air, the sky, the clouds, the birds, the rainbows.
  6. Kanaka Hōnua – the natural resources important to sustain people. However, management is based on providing for the benefit of the resources themselves rather than from the standpoint of how they serve people.
  7. Papahelōlona – knowledge and intellect that is a valuable resource to be respected, maintained, and managed properly. This is the knowledge of the kahuna, the astronomers, the healers, and other carriers of 'ike.
  8. Ke 'Ihi'ihi – elements that maintain the sanctity or sacredness of certain places.
- Implement solution with 3 considerations:



Page 22, 1-4<sup>th</sup> paras.

- a. Honor ancestral past.
- b. Address the needs of the present.
- c. Set up future generations to have more abundance.

Kumu John Ka'imikaua expressed that this procedural management resulted in *lōkahi*, "the balance between the land, the people that lived upon the land and the akua (gods)." In turn, *lōkahi* manifested "pono, the spiritual balance in all things. 26

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26A MAU A MAU (TO CONTINUE FOREVER): CULTURAL AND SPIRITUAL TRADITIONS OF MOLOKA'I (Nā Maka O Ka 'Āina 2000).

**Page 23, 2<sup>nd</sup> para under 4.**

4. Commercial development of land in *West End* whether "resort", "multifamily apartment/condominium", "estate ag-subdivisions" or "industrial", be directed to the Maunaloa *West End* community for review, once guided by the appropriate

Page 23, last para under 6.

6. Maunaloa *West End* community take an active part in proposed development.

Page 25, 4<sup>th</sup> bullet

- the *West End* community recommends that the ~~entire island~~ *West End coastal areas* be placed in the County Special Management Area. At the least, the *West End coastal areas* should be included in the SMA; and

## **MAUNALOA WEST END POLICY**

### **I. INTRODUCTION AND DESCRIPTION:**

This **MAUNALOA WEST END POLICY** Statement was prepared by the *West End* community. We as a people believe the West End planning is best accomplished by the comprehensive and meaningful input of the majority of the residents. The following document is presented, in this light, to the 2015 Molokai Community Plan Committee for the County of Maui, and is intended as a general guide in formulating future planning for growth within this West End area.

It was compiled from published survey data, current tax and land use maps, Community Plan speaker information, various county and state agency information, and extensive *West End* community input over the past year. Technical accuracy is as correct as possible under the circumstances this policy was prepared. The community welcomes correction and/or updating to the guidelines in this respect only, through the various steps this plan takes to adoption. That the main direction and goals of this statement remain intact to preserve and reflect the spirit under which it was prepared and the consensus of the *West End* Community Plan.

*West End* is defined as: to the *West* - a direction.<sup>1</sup> Thus, having a "magnetic" or "sunset" orientation. The description of the "*West End*" as applied to this statement includes the areas by *ahupua* 'a place name.<sup>2</sup>

The boundaries are from *Papohaku* to *Waiakane* on the South Shore of the West and from *Kawahiau* to *Naaukahihi* on the North Shore of the West; and from *Kawahiau* to *Papohaku* on the West Shore; and from *Kawailoa* to *Naaukahihi* on the East Shore of the West.<sup>3</sup>

The *West End* presently, is a fragile, narrow, coastal community, serving as residences. Land ownership for the largest portion is under Molokai Ranch control. The three main differences distinguishing from the rest of Molokai are her geography, her environment, and her people. To these values can be added statistical figures showing over 376<sup>4</sup> households, averaging 3.7 persons each (approximately 1,504 population),

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<sup>1</sup> United States Department of the Interior Geological Survey Map, Island of Molokai, 1952.

<sup>2</sup> Pukui, *Hawaiian Dictionary*, 1971, University of Hawaii Press.

<sup>3</sup> Hawaiian Government Survey Map of Molokai, Triangulation by W.D.Alexander and M.D.Monsarrat, 1897; Map by F.S.Dodge. C.J.Willis and S.M.Kanakanui.

<sup>4</sup> Data from 2013 [www.city-data.com/city/Maunaloa-Hawaii.htm](http://www.city-data.com/city/Maunaloa-Hawaii.htm).



with median incomes of \$39,000.00<sup>5</sup> per year, which includes wealthy owners in Kaluakoi.

The median income for the majority of Maunaloa community's population is \$8,000.00 to \$15,000.00.<sup>6</sup> The great majority is in federal and state funded housing. The great number of the Maunaloa residents is on welfare, section 8 assistance, or both. There are fee simple lots interspersed. Many of the Maunaloa residents survive within the subsistence economy of hunting and fishing.

The Kaluakoi Community consists of 625 property owners on the West end of Molokai. This is divided into approximately 292 land owners, including developed but unsold property owned by Molokai Ranch or their subsidiaries, and 346 owners of condominiums. Of the 295 parcels not owned by Molokai Properties Limited (MPL) or their subsidiaries, 190 of the lots are still vacant. MPL and their subsidiaries own 31 vacant lots in Papohaku Ranchlands, two lots that are the right of ways that contain all public utilities and roads in the Kaluakoi area, a shuttered and abandoned hotel/restaurant/tennis facility that was closed in 2001, and an 18 hole golf course that was closed in 2008. Of the 335 condominiums on the West end, approximately 200 of these condominiums are in short term rental programs. There are 75 full time families living in the Kaluakoi community with the remainder of the owners occupying their homes on a part time basis and as second homes. The Kaluakoi Community property represents over \$200,000,000 in assessed value and in 2014 paid over \$2,000,000 in Property Taxes to Maui County which contributes to the health of the Molokai community.<sup>7</sup>

West Molokai includes the mountain range with *Kopala and Amikopala* peaks reaching 3,000 feet above sea level. The ridges and valleys sloping off this range provide rugged and natural barriers. Natural sandy beaches wind along the coastline. The coastline harbors a large variety of marine life.

Within this geography and environment reside the residents of Maunaloa, with its inherent challenges of a dense population in close living quarters. The goals of this policy statement is to improve and enrich the lives of the *West End* residents.

## **II. MAUNALOA SUBSISTENCE:**

Molokai is home to one of the few remaining rural communities in the state recognized as a cultural kipuka, a repository of Native Hawaiian values, knowledge,

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<sup>5</sup> Data from 2013 [www.city-data.com/city/Maunaloa-Hawaii.htm](http://www.city-data.com/city/Maunaloa-Hawaii.htm).

<sup>6</sup> <http://www.city-data.com/city/Maunaloa-Hawaii.html>. This is to differentiate the difference in median between Kaluakoi and Maunaloa displaying why Maunaloa is primarily subsistence.

<sup>7</sup> Richard Westlund, President of West Molokai Association 2013 to present.



and practices.<sup>8</sup> Apart from Ni'ihau, the island is home to the highest percentage of Native Hawaiians. Molokai, unlike the rest of the state, has also continued to retain a substantial amount of available lands and resources for traditional and customary and subsistence practices. Such traditions and customs are actively practiced and evolving. Many Molokai families rely upon traditional and customary and subsistence practices, not just to feed their families, but to contribute to the perpetuation of Native Hawaiian culture, spirituality, and connection to the land and ancestors. As a cultural kipuka, Molokai is thus an "[oasis] from which traditional Native Hawaiian culture can be regenerated and revitalized."<sup>9</sup>

The ability of Native Hawaiians on Molokai to continue traditional and customary practices may play a critical role in maintaining our island's cultural integrity across Ka Pae 'Aina o Hawai'i (the Hawaiian Archipelago). Ensuring continued access to, and the health of Molokai's natural and cultural resources, is critical for the perpetuation of traditional and customary practices, including fishing, gathering, cultivating lo'i, hunting, caring for burials, and accessing sacred and religious sites.

**Axis Deer** were given to King Kamehameha V and were part of the kingdom from 1860s. In this subsistence culture of the *West End Maunaloa* residents, deer are crucial for the survival of families. Subsistence should supercede commercialized hunting. Subsistence hunting, one hunts for game when food is needed. **Though we feel h**Hunting opportunities should be limited to Molokai residents, **others who wish to hunt will be accompanied by a Molokai hunter(s) to ensure the hunting management plan is enforced.** In the past generations working in harmony with lessees of Molokai Ranch posed no problem. We would let them know we needed to hunt deer for food for our families. The lessee would check his calendar and let us know an appropriate date we could hunt. The current lessee treats the land as his, refusing entry to Maunaloa residents to hunt **and fish** for what has fed our families for generations.

An appropriate hunting management plan is crucial for our subsistence hunting, to prevent overgrazing, to control the deer population, and to maintain a strong genetic strain of deer. The problem with overgrazing is not only lack of nutrition of the deer, but the additional erosion issue caused by deer by overgrazing. With the overgrazing and resulting erosion is the silting of our oceans and the killing of our reefs unbalancing the sea's ecology. This threat further impacts our fishing which along with deer sustains our families.

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<sup>8</sup> Dr. Davianna McGregor, a leading scholar and expert on Native Hawaiian traditional and customary rights, notes that only a handful of Native Hawaiian communities have managed to continue, unbroken, the traditions and customs of their ancestors. Dr. McGregor has identified the island of Moloka'i as one of the few remaining intact Native Hawaiian communities. McGregor explains that protecting these cultural kipuka is essential to the perpetuation of Native Hawaiian culture throughout Hawai'i, because they are oases from which "Native Hawaiian culture can be regenerated and revitalized in the setting of contemporary Hawai'i." DAVIANNA POMAIKA', MCGREGOR, NA KUA'AINA: LIVING HAWAIIAN CULTURE, UNIVERSITY OF HAWAI'I, PRESS 8, 12 (2007).

<sup>9</sup> *Id.*



The danger with commercialization is the changing of our life's resource to a commodity. When that resource becomes a commodity, what we need to eat becomes a crime to shoot for our survival. That forces us to become criminals to survive. Bottom line, we should retain gathering rights for subsistence rather than being forced to become criminals to survive.

Selling of meat is objected to by the majority of the Maunaloa residents. **There is a commercial endeavor already in place. This policy addresses the desire of no commercialization of the majority of the Maunaloa residents.** Domestic and wild grazing animal monitoring by the community is of the utmost necessity. Commercialization of this resource infringes on the subsistence of the Maunaloa residents.

### **GOAL AND ACTION:**

#### **A. Access to Hunting Grounds:**

1. When hunting for subsistence to feed their families, Maunaloa hunters should be given priority for hunting passes **to hunt on undeveloped lands. Bullets have gone through homes of residents and that poses a danger to residents in those homes.**
2. Current lessee should be held in compliance by Molokai Ranch to permit Maunaloa hunters to their gathering rights for subsistence.

#### **B. Implementing Hunting Management Plan:**

1. A two (2) Buck Tag System Pass of a group of ten (10) hunters will be issued to them in which they will be responsible for hunting unlimited does but an overall limit of hunting two (2) bucks that day. The deer controlled management hunting should be maintained between Molokai Ranch and Maunaloa residents. Certain time of year take out does, another time of the year, bucks. Bucks reach their antler peak within 4-5 years. There is a focus to control the deer population to prevent overgrazing and to keep deer genetically healthy for the future generations. Tag system to be implemented for the entire year.
2. **SHUT DOWN SEASON:** Winter is the shutdown season. October through February is the drop season for bucks and does. Does give birth and bucks drop their horns.
3. **OPEN SEASON:** Open season for the bucks and does is from spring through summer, March through September. The bucks breeding season is from the end of spring through summer. Balance will be maintained by controlled management hunting between subsistence and trophy hunters. Shoot for food then you trophy hunt for your two (2) bucks. Any buck with horns from base to tip of 31 inches is considered for the trophy hunt.



4. Give Maunaloa community first PRIORITY on passes for subsistence. Maunaloa hunters responsible for 2 Buck Tag system per ten (10) hunters unlimited does, but allowed to shoot 2 bucks that day. Two buck system will prevent indiscriminate shooting by trophy hunters. A good measure is shooting bucks with antlers measuring 31 inches from base to tip.
5. Another facet of management control is shooting old bucks and diseased deer. This is every hunter's responsibility to maintain genetic strength.

The Maunaloa hunting community is in the process of educating the younger hunters to follow this hunting management plan. **It is imperative for them to hunt on undeveloped lands. Bullets have gone through homes of residents and that poses a danger to residents in those homes.** The intention is to set an excellent example for the young for a proper hunting management. The challenge is to get knuckleheads to comply.

### **C. Fishing:**

**Fishing** is also done for subsistence. Sustainability is for all future generations of Molokai. There are three (3) fish ponds around Waikane Gulch that is in bad disrepair. It is full of mud, grass, and mangrove. The rocks have all fallen and need to be restored. The resource of o'io, mullet, and moi will feed many in the Maunaloa community. The structure is still there. It remains a sustainable resource of o'io, mullet, and moi. Fish ponds are the life of the people and part of the 'aina. No man can own it. Fishponds belong to the people.

The importance of maintaining the ecology of the sea is at the same time protecting a resource that must be sustained. Every individual must malama the ocean as they malama the 'aina. With carelessness and greed, this great resource will be sadly depleted for our future generations.

In the past generations working in harmony with lessees of Molokai Ranch posed no problem. We would let them know we needed to fish for food for our families. The present lessee has refused Maunaloa residents access to their gathering rights. This current lessee treats the land as his, refusing entry to what has fed our families for generations.

### **GOAL AND ACTION:**

#### **A. Clean and Restore:**

1. **Permit access to the ocean for gathering rights for subsistence,**
2. The three (3) fish ponds around Waikane Gulch be restored, cleaned, and maintained. Access will remain under Molokai Ranch control. Molokai Ranch to provide needed supplies for the restoration and cleanup of the fish ponds. The Maunaloa residents provide their labor for the restoration, cleanup, and maintenance of these ponds.

3. De-silt fishponds, remove mangrove and wood chip for biomass use, repair pond walls, successively strip keawe for biomass and replant with indigenous grasses and food bearing trees to control siltation.

**B. Malama (Take Care of, Preserve, Protect) the Ocean:**

1. Every individual use common sense. Leave the area better than when you arrived. Bring opala (rubbish) in, take rubbish out. Dump into a trash bin.
2. Coral reefs are fragile. Prevent destruction.
3. Take steps to prevent siltation. Silt has detrimental effects on coral reefs, fish, limu, and other resources, Maunaloa needs for subsistence.
4. Make sure sewage system is operating to prevent sewage spillage.

In short, the natural resources of deer, **turkey**, and marine life found on the *West End* of Molokai are extensive and require careful treatment. Working in harmony with Molokai Ranch is crucial for a win-win situation.

**III. CONTAMINATED WATER CONCERN:**

**Maunaloa** residents this 2015 year received a mail informing them that the water was contaminated. Though the problem is supposedly resolved, water coming out of the spigot is still an unhealthy brown. A teacher at Maunaloa purchases water for her students refusing to allow them to drink from the water faucet. There are many keiki and kupuna in the Maunaloa community.

The water the Maunaloa community drinks travels an irrigation ditch. In this ditch is tilapia. The spraying of the fields surrounding the irrigation ditch also impacts the quality of the drinking water. By the time the water reaches our faucets, it still remains an unpalatable brown. Promises were made on several occasions by Molokai Ranch. The article is in the Molokai Dispatch, noting that this water transport and quality issue has existed a number of years. "For the past five years, Molokai Properties Limited, better known as Molokai Ranch, has been illegally transporting drinking water to west end residents through water lines intended to serve agricultural users. Now, they are seeking to legalize their use of the Molokai Irrigation System (MIS) and obtain a permit to continue transporting water through the irrigation lines".<sup>10</sup>

According to the Molokai Dispatch the Molokai Irrigation System, MIS, was last improved in 1960. "**Improvements to the System:** According to the video presented by the DOA, the MIS system is approaching its project life and needs to begin replacement of its major components. The system, which was originally scheduled to have four stages of development that would allow for transport of over 20 million

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<sup>10</sup> <https://themolokaidispatch.com/ranch-seeks-to-renew-water-permit/>. Molokai Dispatch, 7/29/2012, by Eileen Chao, **Ranch Seeks to Renew Water Permit**



gallons of water per day (mgd), only ever saw the completion of stage one, which was finished in the 1960s and currently has a capacity to transport two to three mgd, according to Teruya.”<sup>11</sup>

According to the Molokai Dispatch, September 10, 2007, **“Molokai Ranch to Lose Access to Molokai Irrigation System. Attorney General: Molokai Ranch must get off the Molokai Irrigation System until an environmental assessment has been completed.** Molokai Ranch must complete an environmental assessment in order to continue using the Molokai Irrigation System (MIS) to transport water to its west-end properties. A letter from the attorney general’s office said that the Ranch must get off the state run pipeline until the study is done. In the letter, deputy attorney general, Myra M. Kaichi, said Molokai Ranch must remain off of the system “until all environmental effects, if any, are sufficiently and properly addressed.”<sup>12</sup>

From Molokai Dispatch February 28, 2011. “West Molokai gets the bulk of its drinking water from Well 17, which is located next to Kualapu`u town. The use of this Well 17 has been illegal for the past four years. How can this be? It must be politics....they put the clean water from Well 17 into the dirty agricultural water of the Molokai Irrigation System (MIS). They do this so they can use the existing MIS water transmission pipe to get to West End, instead of putting in their own line like they promised. And it gets worse – for the past two years the use of this transmission line has also been illegal...we have Molokai Ranch operating an illegal well, using an illegal pipeline and yet charging customers ridiculous water prices on West End.”<sup>13</sup>

## **GOAL AND ACTION:**

### **A. Update Water Transport System:**

1. Urge the Molokai Ranch subsidiary, Molokai Public Utility, to construct a pipeline directly from Well 17 to the Maunaloa and West End water treatment plant. This would eliminate the Molokai Irrigation System (MIS) transport expense, deliver a higher quality source to the treatment plant, and lower the water costs to all West End users.
2. Check, update and if necessary, reconstruct the infrastructure water delivery system to West End.
3. Start the construction in 2016 or 2017.
4. Test for contaminants every two (2) months. Have results validated by a third-party, such as Abbey Lab.
5. Department of Health and University of Hawaii to do separate testing of water.

<sup>11</sup> <https://themolokaidispatch.com/know-your-water-know-your-responsibilities/>. Molokai Dispatch, 10/28/2012, by Eileen Chao, **Know Your Water, Know Your Responsibilities**

<sup>12</sup> <https://themolokaidispatch.com/molokai-ranch-lose-access-molokai-irrigation-system/>. Molokai Dispatch, 10/10/2007, by Hilary Dyer, **Molokai Ranch to Lose Access to Molokai Irrigation System**

<sup>13</sup> <https://themolokaidispatch.com/molokai-ranch-water-wars/>. Molokai Dispatch, by Molokai Dispatch Staff **Molokai Ranch Water Wars**

6. Test for contaminants at the residential faucets of seven (7) homes quarterly.
7. Ensure safe, efficient and reliable island-wide water systems through protection, improvement, regular testing, replacement, and enhancement of the existing water supply and development of new water sources.
8. Lower water rates. Maunaloa pays highest rates in the nation<sup>14</sup> for contaminated water.

#### IV. COMMUNITY HEALTH SERVICE CENTER:

The distance and subsequent response time of emergency services to *West End* has been a great concern; moreover, response time is likely to increase as island growth continues. The remote location of *West End* with respect to *Kaunakakai* limits its access to human services in many categories.

Due to the central location of these services and the relative length of the island, an emergency at one end empties the service facility, leaving the opposite end uncovered.

Again, distance from *Kaunakakai* limits access to the public library, eliminating the many elementary-aged students and senior citizens of this area from its service.

No provisions for storage/display of the many archeological and cultural resources *West End* holds have been provided for. Subsequent loss of Molokai treasures to other island display centers must be prevented.

Drug abuse is one of the top concerns of the Maunaloa community. With dense population living conditions, unemployment, and welfare mentality, drug abuse becomes a problem.

Residents must travel off-island if they wish to cremate a loved one's remains. Kupuna (elders) have made a request for a Molokai crematorium.

#### GOAL AND ACTION:

##### A. Build a Community Health Service Center:

1. Build a *West End* Community Health Service Center. This facility will house medical, dental, health, and drug abuse services. A library-cultural center will be part of this community center.
2. Build a drug abuse treatment halfway house (which should be isolated to permit for proper drug treatment) on the *West End*.
3. Build a fire station and a police station.

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<sup>14</sup> <https://themolokaidispatch.com/appeal-of-ranch-water-rates-denied/>. Molokai Dispatch, 7/1/2012, by Eileen Chao, **Appeal of Ranch Water Rates Denied**



4. Build a crematorium.
5. Have ambulance services housed in the Community Service Center.

The *location of these service centers should be on the West End on the top of Kaluakoi*. This location best serves the entire *West End*.

## V. PUBLIC FACILITIES:

Due to the geographic makeup of the *West End's* shore, public facilities include one State highway, seven public rights-of-way to the beach, one day park, and a community center. A number of privately owned beach accesses are in general public use, but do not qualify as such under this group. No public access to hunting.

The seven beach access paths are Kaunala (Dixies), Pakaa, Puukoai (High Parking Lot), Poolau (Shit Creek), Midway, Papohaku Beach Park, and Pohakumauliuli (Make Horse).

*West End* has a mixed residential population; however, these access paths are used by the entire island, as well as a growing visitor industry, for its attractive recreational and hunting value.

Molokai's ocean-oriented population is restricted to one boat launching ramp (in *Kaunakakai*), which is expected to provide access to over 70 miles of prime coastal and offshore fishing areas. The exorbitant fuel consumption cost and weather difficulties prohibit use of much of this area.

The community presents these recommendations. The entire island would benefit over the effective duration of this community plan. These solutions/improvements are chosen to create the least amount of privacy infringement on adjacent residents while maximizing use of the available areas/resources and sharing the burden among the State of Hawaii, Department of Transportation, Harbors Division and Molokai Ranch.

## GOAL AND ACTION:

### A. Fix Roads and Access Paths to Beaches:

1. Support the placement of the Kaluakoi Roads, LLC right of way and roads into the Maui County Road system with public access and public interest preserved for all residents of Molokai.
2. Support the paving of Kaluakoi roads, it is in bad need of repair. Both Molokai Ranch and the City and County and wealthy landowners should share the repair cost. All City and County vehicles utilize the same road.
3. Dedicated bicycle/walking path along Kaluakoi/Pohakuloa from highway 460 up and including Dixie Maru. There is heavy pedestrian/bicycle traffic.
4. Fix deplorable conditions of access paths.



**B. Maintain Public Facilities in Existence:**

1. Keep public facilities in proper maintenance.

**VI. ENVIRONMENT AND NATURAL RESOURCES:**

*West End's* environment, rich in natural resources, particularly marine and fauna, balances on a sensitive ecological system that requires the utmost in planning care for its survival. A detailed understanding of its content and the hazards it faces are required to carry out this task. Though historically West End was verdant and abundant with many flowing streams, today west end gets water from only well 17. The soil once fertile, today, is more dry and arid. In Hawaiian cultural mo'olelo (history, tradition, journal), once pono (righteousness, well-being, prosperity, welfare, benefit, true condition of nature) is restored, abundance will be restored. This brings the past, present, and future in one single plane.

*Water* - The importance of water to the Native Hawaiian people is captured in the 'olelo no'eau, "ala i ka Wai (Water is Life)." Traditional Hawaiian management of this precious resource assured mauka to makai stream flow, which provided sufficient water for food production, drinking water, native stream life, healthy estuaries, and groundwater recharge. Groundwater sources, such as springs and anchialine ponds, were also highly respected and cared for. Today, access to and proper management of water continues to be necessary for a thriving Native Hawaiian people and culture. The health of Molokai's streams, fishponds, and near shore and estuarine environments depend upon sufficient freshwater discharge. Decreases in the levels or quality of discharge from over withdrawal or stream diversions may have devastating impacts to marine resources, as well as the cultural and subsistence practices that depend on these resources.

Pursuant to the Hawaii Constitution, Article XI, sections 1 and 7, water is a public trust resource, held in trust by the State for the benefit of the people, for both present and future generations.<sup>15</sup> Recent court decisions have affirmed that state and county permitting agencies have affirmative and independent obligations to ensure that our public trust water resources are protected and used for the public benefit. This means that traditional and customary practitioners, domestic users, the Department of Hawaiian Home Lands, appurtenant right holders, and the environment should receive priority consideration in the decisions that may affect the allocation of public trust water resources. Use of Molokai's precious and limited water supply has given rise to a

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<sup>15</sup> See, e.g., HAW. CONST. ART. XI SECS. 1 & 7, ART. XII SEC. 7; HRS§§ 1-1, 7-1, 174C-101; HRS CHAPTER 174C; *In re Water Use Permit Applications*, 94 Hawaii 97, 9 P. 3d 409 (2000) (*Waiahole I*); *Ko'olau Agricultural Co., Ltd. v. Comm'n on Water Res. Mgmt.*, 83 Hawaii 484, 927 P.2d 1367 (1996); *Reppun v. Bd. Of Water* See, e.g., HAW. CONST. ART. XI SECS. 1 & 7, ART. XII SEC. 7; HRS§§ 1-1, 7-1, 174C-101; HRS CHAPTER 174C; *In re Water Use Permit Applications*, 94 Hawaii 97, 9 P. 3d 409 (2000) (*Waiahole I*); *Ko'olau Agricultural Co., Ltd. v. Comm'n on Water Res. Mgmt.*, 83 Hawaii 484, 927 P.2d 1367 (1996); *Reppun v. Bd. Of Water* 65 Hawaii 531, 656 P.2d 57 (1982).



number of challenges over new wells, water allocation, groundwater pumping, and the use of transmission lines, which have yet to be resolved.<sup>16</sup>

*Soil* - The soil once fertile is now lacking in nutrients. Being the most erosion-prone island in the Hawaiian chain, overgrazing of natural and introduced vegetation can have detrimental effects. The indigenous varieties of grasses (i.e. *pili*) cannot stand being eaten to the roots and trampled upon, necessitating careful management of pasture and *Kula* lands.<sup>17</sup> Because of overgrazing, the runoff mud goes into the fish ponds and kills off the reefs. Soil depletion is the direct result of overuse of the planting of pineapple fields. Agriculturally the soil is of poor quality.

*Ocean* - ~~The rich environmental characteristics of the land give rise to a pristine ecosystem correspondingly as rich.~~ **The ocean is rich with marine life.** Both near shore and ocean gathering opportunities remain adequate for commercial as well as domestic purposes.

*Flora and Fauna* - *Kamakou Preserves* on the ~~West~~ **East End** contain habitats where indigenous plant life still exists. These habitats, whether mountain or coastal located, often provide the surroundings necessary for endangered animal life to survive, such as the *Koloa Duck* and *Hawaiian Stilt*. These areas further provide habitats for endangered birds as well as nesting grounds for several migratory species. **West End is peppered with shrub, grasses, pine trees, kuikui nut, hao, fern, and kiawe trees. The land is abundant with axis deer, wild turkey, and other fauna.**

## **GOAL AND ACTION:**

### **A. Water:**

1. ~~Control~~ **The West End supports the existing water allocation** withdrawal from well 17. ~~Expanded withdrawal may have significant effects to freshwater discharge into streams, which may have a detrimental effect on natural, cultural, and subsistence resources.~~
2. Recognize the priority water rights of Native Hawaiian's under the Hawaiian Homes Commission Act, the Hawai'i Constitution, the State Water Code, and court decisions. Protect, restore, and enhance surface and subsurface water sources.
3. Support better management and oversight of water withdrawal, including through complete reporting for all existing wells and permitted groundwater withdrawals, to ensure accurate sustainable yields.

<sup>16</sup>See *In Re Wai'ola O Moloka'i, Inc.*, 103 Hawaii 401 (2004) and *In Re Water Use Permit Application ("Kukui Molokai Inc.")*, 174 P.3d 320 (2007). These cases remain unresolved, but have been remanded to the Hawaii Commission on Water Resource Management.

<sup>17</sup>Hawaiian Dictionary Mary Kawena Pukui/Samuel H. Elbert copyright 1986 University Hawaii Press. Pg. 178. 1. n. Plain, field, open country, pasture. An act of 1884 distinguished dry or *kula* land from wet or taro land.

4. Recognize that water is held in public trust by the State, for the benefit of the people. Public trust purposes, which receive priority over private commercial uses, include domestic uses, Native Hawaiian and traditional and customary rights, appurtenant rights, environmental protection, and reservations for the Department of Hawaiian Homelands.<sup>18</sup>
5. Protect, restore, and enhance surface and subsurface water sources, stream habitats, and priority watershed areas to support groundwater aquifer recharge, aquatic and environmental processes, and riparian, scenic, recreational, and Native Hawaiian cultural resources, as well as constitutionally-protected Native Hawaiian traditional and customary practices.<sup>19</sup>
6. Explore desalinization to increase water supply on West End.

**B. Control Erosion:**

1. Control deer population.
2. Implement hunting management plan.
3. Control cattle grazing.
4. Replant areas with indigenous plants.
5. The possibility of growing marijuana as a medicinal crop would fertilize the soil and boost Molokai's economy.

**C. Be Prepared for Tsunami:**

1. Inundation areas are common along the Kaluakoi coastal areas. Again, intensive coastal land use in multi-family - resort is discouraged in view of this hazard.
2. High Water-table of the low lying coastal areas of *West End* are subject to tidal surges. Commercial development as multi-family or resort, with their corresponding sewage disposal problems can irreparably damage this ground water along with the pristine ocean water it is in contact with. This activity is discouraged in these areas and must be located in regions where this impact can be avoided.

<sup>18</sup> See *Waiahole I*, 94 Hawaii 137-39 and *Waiaola o Molokai*, 103 Hawaii 401, 431, (2004). See also, HAW. CONST. ART. XI SECS. 1 & 7, ART. XII SEC. 7; HRS §§ 1-1, 7-1, 174C-101; HRS CHAPTER 174C; *In re Water Use Permit Applications*, 94 Hawaii 97, 9 P. 3d 409 (2000) (*Wai'hole I*); *Ko'olau Agricultural Co., Ltd. v. Comm'n on Water Res. Mgmt.*, 83 Hawarl 484, 927 P.2d 1367 (1996); *Reppun v. Bd. Of Water Supply*, 65 Hawaii 531, 656 P.2d 57 (1982). For additional information, see also D. KAPUA'ALA SPROAT, OIA I KA WAI: A LEGAL PRIMER FOR WATER USE AND MANAGEMENT IN HAWAII (2009), available at <https://www.law.hawaii.edu/files/content/news/18470/WaterPrimer.pdf>.

<sup>19</sup> These priority uses of water are constitutionally and statutorily established bases for protecting, and in some cases, restoring stream flow to support traditional and customary uses. See, e.g., *Waiahole I*; see also HRS § 174C-2(c) ("[A]dequate provision shall be made for the protection of traditional and customary Hawaiian rights ...").



**D. Keep Ocean Pristine:**

1. Protect mauka to makai stream flow, **present and future**, which is essential to the survival of native stream life.
2. Prevent erosion and silt deposits.
3. Protect coral reefs from degradation.
4. Clear invasive limu and fish.
5. Keep sewage system repaired and operable to prevent sewage spillage.
6. Pick up rubbish. Take opala with you and throw in the trash bin.

**E. Prevent Invasive Species Growth:**

1. Use common sense. Brush shoes and clothing before entering Kamakou.
2. When you travel in vehicle up to Kamakou, make sure tires are brushed free of roots, pollen, and seeds.
3. Use common sense to preserve **and malama (care for)** the area how you found it.

**VII. CULTURAL RESOURCES AND TRADITIONAL LAND USES:**

For the Native Hawaiian, *West End* was figuratively any place "more West" of where they lived; and with their tradition, this meant "closer to the sunset".

It is within this context that a ***Maunaloa-West End*** plan should be designed. This section serves to describe the traditional resources of the *West End*, historically and presently, and at the same time, direct this policy statement towards a more beneficial and realistic land use with respect to traditional values.

The *West End* community wishes to include here the provision of the Hawaiian State Constitution, Chapter 12, Section 7, which reads:

"The State reaffirms and shall protect all rights customarily and traditionally exercised for subsistence, cultural and religious purposes and possessed by *ahupua* 'a tenants who are descendants of Native Hawaiians who inhabited the Hawaiian Islands prior to 1778 subject to right of the State to regulate such rights."

State and county governments and agencies have obligations to protect the traditional and customary practices of Native Hawaiians. Relying on the rights recognized in key constitutional and statutory provisions, as well as court decisions. The Hawai'i Supreme Court established an analytical framework for State and

county agencies to follow when considering land use and development projects.<sup>20</sup> Under this framework, agencies must identify 1) the scope of valued cultural, historical, and natural resources in the area, including the extent to which traditional and customary rights are exercised; 2) the extent to which these resources will affect or be impaired by the proposed action; and 3) the feasible action, if any, to be taken to reasonably protect native Hawaiian rights, if found to exist.

In 2000, recognizing that the State had a specific “duty to promote and protect cultural beliefs, practices, and resources of native Hawaiians as well as other ethnic groups,” the legislature determined that Hawaii’s environmental review process, HRS Chapter 343, should include a consideration of the effects of proposed action on cultural practices.<sup>21</sup> Guidelines for cultural impact assessments clarify that the analysis should include information relating to the practices and beliefs of cultural or ethnic groups in and around the project area, and that individuals and organizations with expertise should be consulted.

Traditional lands embody the concept of *Aloha Aina*, Land Care (malama the ‘aina) rather than Land Use. Aloha, dedication, and concern is returned providing all the needs and wants required to sustain this traditional love.

Historically, Hawaiians knew no land ownership. They shared the land. There were political divisions of land called ahupua’a, or districts with natural geophysical boundaries. There were areas where Hawaiians built their homes, raised their families and grew their *‘uala* (sweet potato). There were also areas where they cultivated their kalo (taro), together, as a community.

Visitors and residents alike are less than cognizant of the importance of preventing damage to hunting and fishing and cultural resources.

Accesses to the mountains for gathering of materials for building or for medical needs were guaranteed as were accesses to and along the shoreline for fishing. In addition, the Hawaiians collectively built, stocked, managed, and shared the resources of their ahupua’a. Water was essential for personal needs. Hawaiians knew that the streams had to empty into the ocean in order to continue the delicate brackish water environment for spawning of fish and the harvesting of limu (seaweed). These very streams also fed the auwai (aqueduct), which in turn supplied the streamlife with all the nutrients necessary for productivity. Above all, there was a strong sense of community (ahupua’a) and *ohana*. The *kuleana* (responsibility) for the land and the environment, and resources of the mountains, flatlands, marshlands, fishponds, reefs and ocean is also carried by the people for the survival of generations to come. Given the social, economic, political and environmental conditions of Molokai, the relative integrity of the

<sup>20</sup> See Ka Pa‘akai o Ka ‘Aina v. Land Use Comm’n, 94 Hawaii 31 (2000); see also Pele Defense Fund v. Paty, 73 Hawaii 578 (1992); see also Public Access Shoreline Hawaii v. Hawaii County Planning Comm’n, 79 Hawaii 425 (1995).

<sup>21</sup> Act 50 (2000).

*West End* area's cultural resources of over 200 cultural sites<sup>22</sup> must be protected and maintained. There are numerous archeological sites (most yet to be surveyed), bountiful coastal areas and limited accesses maintained for hunting and fishing. The interconnecting of the land with the environment, the resident and the well-being of his survival, plays a major role for *West End* residents. The concept of *aloha aina* with regards to traditional land practice is ever more important today in light of impending loss of the resource to economic and development pressures. There is a strong identity of Hawaiians with the lands, and a supportive community for a subsistence kind of lifestyle and desire for this way of life, in keeping with the ways of the *kupuna* (elders).

Throughout Molokai's landscape there is an abundance of archaeological and historic sites and traditional cultural properties that document habitation by ancient Hawaiians, as well as the more recent immigrants and their settlements. Archeological, historic, and cultural resources combine to express the heritage of the people and place. Today, numerous Native Hawaiian traditional and customary practices, including fishing, gathering, cultivating *lo'i* hunting, caring for burials, and accessing sacred and religious sites, continue to be practiced on Molokai. The health of Molokai's natural and cultural resources, and access to these resources by Native Hawaiian practitioners, mauka to makai, is critical to the perpetuation of Native Hawaiian culture. Many residents practice a subsistence lifestyle, relying upon the island's resources for fishing, hunting, and gathering. The people of Molokai are proud of their history, cultural identity, and unique Molokai lifestyle, and are determined to uphold and strengthen these qualities for future generations.

The island's natural resources are intimately connected to the cultural resources. Together they provide the foundation for the traditional Hawaiian lifestyle. Until the 1800s, a communal system of land tenure and subsistence enabled ahupua'a tenants to access the land and its resources for subsistence, medicinal, cultural, religious, and other purposes. By the mid 1800s, Europeans and Americans were established on Molokai. During the Mahele (land division) private interests in land were established, but these interests were subject to the rights of native tenants. As the European and American populations increased, the plantation and ranching industries took hold of the island, producing 19 commercial ventures operating throughout the 1800s and 1900s. Several small-scale attempts at sugarcane cultivation were made between 1870 and 1900.

The people of *West End* wish to secure this style of living, traditional in basic philosophy due to subsistence economy of the *West End* (Maunaloa area). This is their privilege.

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<sup>22</sup> Halona Ka'opu'iki possesses photos of these cultural sites.



## **GOAL AND ACTION:**

### **A. Educate and Develop:**

1. Educate visitors, including visitors engaged in hunting and fishing, about the importance of natural and cultural resources to the cultural and subsistence practices of Molokai's residents, and how they may prevent damage to these resources.
2. Recognize and support sustainable agricultural, forestry, and game best management practices and sustainable subsistence fishery management as key elements to maintain, preserve, and protect Molokai's land, water, and marine resources.
3. Support the development of game, fishery, and coastal management areas and management plans.
4. Support the establishment of the island as a community-based subsistence fishing area pursuant to HRS 188-22.6 in order to preserve marine and near shore resources for generations to come.
5. Promote the education of visitors on the significance of historic and cultural sites, how to be respectful of these sites, and how to support the maintenance and preservation of these sites.
6. Educate property owners regarding the need to prevent damage to or destruction of historic and cultural sites.
7. Develop educational materials addressing heritage and natural resources impacts from unpermitted ground altering activities; disseminate educational materials widely, including to private landowners and visitors; provide instructions for reporting unpermitted activities.
8. Develop Moloka'i cultural events (Makahiki and Ka Hula Piko) and tourism guidelines that protect island culture and natural resources.
9. Fracking and nuclear power plants are disallowed.

### **B. Survey and Document:**

1. Survey and documentation all archaeological sites with immediate efforts toward preservation of the cultural integrity of such sites or districts, including nominations to the State and Federal registers of historic sites.
2. Renominate all sites that were dropped from the State Register of Historic Places in 1979 in the *West End*.
3. Necessary to conserve and preserve the entire range of archaeological or historical properties with smaller sites given deserved priority as equally as large site.
4. Full consideration given to the religious and cultural significance of locations as well as established practices.

### **C. Guarantee Access and Preservation:**

1. Guaranteed accesses with appropriate management plans:



- a. Mauka, makai, West and East directions of the ahupua'a for gathering purposes and hunting
  - b. Historic sites and sacred traditional places
  - c. Shoreline
2. Blanket recognition that fishponds remain intact, not to be developed for any other purposes. Fishponds have the high potential for aquacultural use. Archaeological and historic concerns shall be considered before reuse of fishponds to preserve scientific knowledge contained. Preserve and maintain any fishpond system complex such as hatchery, pond, or trap characteristics
3. Tax shelters and/or incentives to accomplish the above.

**D. Moratorium:**

1. A moratorium on the use of water which will guarantee the environmental conditions necessary to promote the above.
2. A permanent moratorium against the development of tourist related accommodations or businesses which will subsequently change the social infrastructure of the area **with the exception of the RESTORATIONS mentioned in parts of this document such as Kaluakoi, Kaupo, etc. Restoration is seen as fixing what is already there rather than further development.**

**E. Create Programs, Conserve, Preserve, Protect:**

1. Create additional cultural and traditional land use programs (i.e., a *Lima Hana O Na Opio* at *Ka 'emole* and *Ke Kula Ho 'O Naauao Moloka'i* at *Keawanui*).
2. Extend conservation protection to traditional lands under the State of Hawaii, Department of Land and Natural Resources regulations.
3. Insure and appropriately preserve this valuable resource, the most certain recommendation would be the creation of an additional land use designation category under State and County parameters, "Traditional Land", with corresponding permitted use.

**F. Reforestation of Mount Ka'ana:**

1. Reforest with Native (indigenous) plants be done.
2. Reinforce the surrounding fence to protect replanting from deer and cattle.
3. Access to Mount Ka'ana be provided by permission from Molokai Ranch. This area should not be promoted by the visitor's industries. *Mount Ka'ana*, the famous birthplace of hula, is known as the piko (the center, navel). It is home of the Goddess Laka. The Goddess Laka is a person who was deified when she became the patroness of the hula and respected throughout Hawaii. Mount Ka'ana is still considered sacred by Hawaiians and the hula world today. Ka'ana remains significant in traditional cultural and religious hula practices today.

## VIII. SOCIAL AND ECONOMIC RESOURCES:

**West End** is made up of residents having a wide variety of backgrounds, origins and cultures. Of these differences, the majority of the community shares a common system of values best explained by the following:

1. A profound concern for the land and the care it deserves, for the support it can provide.
2. An avid interest in the ocean for its recreational value as well as for the bountiful sustenance it can provide.
3. A deep respect for Hawaiian cultural remnants of the past in the numerous *heiaus*, activity areas, and the grave sites **West End** contains.
4. A strong sense of community, more particularly, **West End** community, and the common activities it comprises, such as sports, educational programs, and growth.
5. A firm belief in lifestyle and *aloha* for *West End* it portrays.

To these values can be added statistical figures showing over 376<sup>23</sup> households, averaging 3.7 persons each (approximately 1,504 population), with median incomes of \$39,353.00 per year, which includes wealthy owners in Kaluakoi. The median income for the majority of Maunaloa community's population is \$8,000.00 to \$15,000.00<sup>24</sup>. The reason being that the great majority is in federal and state funded housing. The a great number of the Maunaloa residents is on welfare, section 8 assistance, or both. There are fee simple lots interspersed. Many of the Maunaloa residents survive within the subsistence economy of hunting and fishing.

This limited breakdown suggests growth pattern guidelines must be unusually strict to prevent commercial development displacement of the larger portion of this population. By income, educational measures, and economic opportunity of *West End* residents, growth pattern guideline concern, must be reflected by the County of Maui.

Economic growth has to proceed with this value/income system in perspective. Placing the *West End* in a single industry category as **Restoration of the Kaluakoi resort and Kaupo tentacles** will subject **provide** residents to an **with** employment situation for which there is little experience or training. **in this slow economy where employment is scarce**. Jobs would be of service-maintenance **which generally requires low level entry**. orientation and competition from in-migration would be high as on Maui.

A preferred avenue to follow would be one that makes better use of the present **abandoned infrastructure**, natural and social resources available in *West End*.

<sup>23</sup> Data from 2013 [www.city-data.com/city/Maunaloa-Hawaii.htm](http://www.city-data.com/city/Maunaloa-Hawaii.htm)

<sup>24</sup> <http://www.city-data.com/city/Maunaloa-Hawaii.html>. This is to differentiate the difference in median between Kaluakoi and Maunaloa displaying why Maunaloa is primarily subsistence



An economic development scheme suited to the skills of the residents, the resources of the land and one providing an employment position that can combine pride, a sense of accomplishment, possibilities for expansion and a general sense of well-being on the part of the community.

Molokai Ranch carries the kuleana (responsibility) to malama (take care, preserve, protect) the land under their care. Great irresponsibility was displayed in the destruction of what were once beautiful coconut trees. Rather than seeking further construction, rebuild what is currently existing. This would generate employment providing island wide benefit to residents and tourist alike. **Tourist who come to Molokai for this peaceful rural community lifestyle.** These derelict buildings are a potentially great economic resource. This is a quote from Molokai Dispatch 2012.issue. (<https://themolokaidispatch.com/ranch-seeks-to-renew-water-permit/>) **"New Ranch Developments:** Rumbaoa said the Ranch is planning on re-opening the Kaluakoi Resort Hotel—which would host 144 rooms –and 18-hole golf course in the near future."

The *West End* residents urge the County of Maui to coordinate the various State, private, and county agencies to carry out these goals and actions.

#### **GOAL AND ACTION:**

##### **A. Aquaculture:**

Direct proposals by private aquaculture to the *West End*.

1. Apply County assistance to aqua-system already in operation if one exists.
2. Investigate possibilities for ocean aquaculture for fishponds and pilot studies begun in both "traditional" and "modern" techniques.
3. County economic development programs assist community representatives in securing public and private grants, techniques and marketing information, land acquisition and management for achieving this economic base.
4. Begin an aquaculture curriculum in Community College institute adult and student education programs through the University of Hawaii, Department of Education, Kamehameha School/Bishop Museum, and private industry.
5. Investigate and initiate Aquaculture programs for the following industries on Molokai:
  - a. marine sea turtle hatchery;
  - b. Pacific spiny lobster hatchery;
  - c. cultured pearl farming;
  - d. oyster farming;
  - e. bait fish projects; and
  - f. seaweed and crab farming.
6. Assist total agriculture- aquaculture programs where permits:
  - a. de-silt fishponds;
  - b. remove mangrove and wood chip for biomass use;
  - c. repair pond walls;

- d. successively strip keawe for biomass and replant with indigenous grasses and food bearing trees to control siltation; and
- e. locate agriculture - aquaculture operations to beneficially utilize entire location.

**B. Agriculture:**

1. With tax assessment abilities, encourage agricultural use of available lands in *West End*. Consider the growing of medicinal Marijuana as a viable economic crop.
2. Open more State land to agriculture endeavors and assist with application formalities.
3. Coordinate common marketing techniques to aid distribution.
4. Discourage non-agricultural use of agricultural lands.
5. County encouragement of private investment to be directed to available *West End* areas. Positive assistance be provided to induce commitment to the long range, low profit-density of agriculture in the *West End* area rather than the fast, high profit of resort.
6. State, County and private sectors make available water resources (e.g., wells, rivers) solely for diversified agriculture and animal husbandry. The State and County should identify all available and potential water sources on the island and see whether they could assist in transporting this water to the community for diversified agriculture purposes and at reasonable agricultural price rates (e.g. State buying water from private landowners and selling to community at low agricultural rates).

**C. Restore:**

1. Restore golf course, restaurant and surrounding buildings at Kaluakoi. Negotiate with Molokai Ranch to restore with the help of the City and County. This would create employment opportunity as well as tourist interests while utilizing what is already present. The infrastructure still exists at Kaluakoi and Kaupo. This restoration will help rebuild rapport and bridge the distrust that exists between the *West End* residents and the Molokai Ranch.
2. ~~Create driving range and mini-golf course. This creates employment opportunity as well as serve tourist interests. Location would be along Maunaloa Highway on the makai side where a large open space exists.~~
3. Restore theatre. Basic theater infrastructure in Maunaloa still exists. We would suggest digital downloads to cut operation costs. Negotiate with the vendors of movies for minimal costs.
4. Create **Restore** Mom n Pop restaurants that deliver to *West End* residents. Due to exorbitant costs of maintaining a business on Molokai, the Mom n Pop stores are a more reasonable alternative. Whether there is a number or simply one (1) that rotates menus remains to be seen. Delivery of meals is an enhancement to the business.



5. Provide fishing net manufacturing plant. A plant that produces nets at a reasonable cost would be beneficial Island wide. This segues into the people's love of the 'aina and their traditional lifestyle and subsistence living.
6. Reconstruct **and restore** a camp area for utilization by the Molokai community for conference meetings and large events. This would be a win-win for Molokai community and Molokai Ranch. Provide Island wide education for use and maintenance.

The opportunities for alternative economic growth are unlimited in *West End* and these listed are but a few that can coexist within the value framework of the *West End* community. The resident opinion is to stress the desire **to preserve** this lifestyle we have, and tailor growth **and restoration** so as not to lose the greater part of **this lifestyle** or forfeit the options we hope to keep for our children.

## IX. LAND USE:

Critically examine potential solutions including potential effects upon the āina using eight resource realms. These realms provided the ethical foundation for the decision making process.<sup>25</sup>

1. Moana-Nui-Ākea – the farthest out to sea or along the ocean's horizon one could perceive from atop the highest vantage point in one's area.
2. Kahakai Pepeiao – where the high tide is to where the lepo (soil) starts. This is typically the splash zone where crab, limu, and 'opihi may be located; sea cliffs; turtles and seabirds nest; or extensive sand dune environs.
3. Ma Uka – from the point where the lepo (soil) starts to the top of the mountain.
4. Nā Muliwai – all the sources of fresh water, ground/artesian water, rivers, streams, springs, including springs along the coastline that mix with seawater.
5. Ka Lewalani – everything above the land, the air, the sky, the clouds, the birds, the rainbows.
6. Kanaka Hōnua – the natural resources important to sustain people. However, management is based on providing for the benefit of the resources themselves rather than from the standpoint of how they serve people.
7. Papahelōlona – knowledge and intellect that is a valuable resource to be respected, maintained, and managed properly. This is the knowledge of the kahuna, the astronomers, the healers, and other carriers of 'ike.
8. Ke 'Ihi'ihi – elements that maintain the sanctity or sacredness of certain places. Implement solution with 3 considerations:

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<sup>25</sup> Presentation by Dr. Kawika Winter, ethnobotanist and director of Limahuli Garden and Preserve on the island of Kaua'i. Dr. Winter is a former hālau member of Hālau Hula o Kukunaokalā, led by the late Kumu John Ka'imikaua, who re-introduced the history of the ancient 'aha councils in his film *A Mau A Mau* and in educational workshops on Moloka'i. It was Kumu John's wish to revitalize the 'aha councils to restore pono to the land and people.



- a. Honor ancestral past.
- b. Address the needs of the present.
- c. Set up future generations to have more abundance.

Kumu John Ka'imikaua expressed that this procedural management resulted in lōkahi, "the balance between the land, the people that lived upon the land and the akua (gods)." In turn, lōkahi manifested "pono, the spiritual balance in all things."<sup>26</sup>

Many of the goals of the community are contained in the area of land use. *West End* has many conditions and problems confronting its residents in this area. Its problems need to be clearly understood to effectively provide the answers the community seeks to ensure their local lifestyle and the lifestyles of future generations. Balance must be maintained among community, city and county, state, and Molokai Ranch to create a win-win situation.

Geography-The physical problems facing responsible land use are another aspect. Although statistically the *West End* contains one-half of Molokai's land area, the actual acreage suitable for intensive land use management is well below that figure. The mountain range and accompanying valleys leave only a small portion available, making any subsequent development product a far greater long range impact than might be first anticipated.

No matter what construction growth the *West End* community experiences, the cost to present residences are to be kept the same and without increase to fees and/or taxes. This prevents the state on capitalizing on unwanted growth by the people and punishing *West End* community residents with increased fees and taxes to increase the state's coffers.

## **GOAL AND ACTION:**

### **A. Taxes:**

1. The Maui County to fix tax laws to actual use rather than general area use or potential value use. The depressed economic standard on Molokai should be considered in rendering taxes. The majority of livelihood is subsistence.

### **B. Commercial Development:**

1. Limit the height of buildings on the *West End* to a maximum of two stories.
2. Limit retail-commercial services on the *West End* to those businesses catering to the residents of the community (e.g., gas station, Mom n Pop businesses).
3. In reference to "commercial development", fix what already exists and make

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<sup>26</sup> A MAU A MAU (TO CONTINUE FOREVER): CULTURAL AND SPIRITUAL TRADITIONS OF MOLOKAI (Nā Maka O Ka 'Āina 2000).



anew. That is Kaluakoi with its restaurant, golf course, empty hotel buildings, and the tent-a-lows at the Kolo, Paniolo, and Kaupo areas. This is regarded by the community to include resort, multi-family apartment/condominium, "residential" agricultural subdivision, or industrial types of uses. Where differences exist between agency determination of "commercial development" and the community's view of the project, *West End* residents reserve the right of choice in settling such matters and the development application shall be directed to the community for review.

4. Commercial development of land in *West End* whether "resort", "multifamily apartment/condominium", "estate ag-subdivisions" or "industrial", be directed to the Maunaloa *West End* community for review, once guided by the appropriate agencies of the State of Hawaii and the County of Maui with regard to providing innovative solutions to the aforementioned (problems) section of this land use category. *West End* residents reserve the right of choice in settling such matters and the development application shall be directed to the community for review.
5. Developers be made aware of these difficulties. Developers must do responsible planning to overcome these problems and community impact. Development application to reviewing agencies shall contain addresses to these categories with respect to affected landowners, and meaningful solutions thereto. *West End* residents reserve the right of choice in settling such matters and the development application shall be directed to the community for review.

Development difficulties recommendations:

- a. Professional title search of all land parcels within 1000 feet of development to include "unlocated *kuleanas*" and notification of all possible owners and heirs.
  - b. Registered survey by developer of all surrounding land parcels within 1000 feet of project to pinpoint location and boundaries as well as clear question of "unlocated *kuleanas*" if owners or heirs request this donated service.
  - c. Provide access to accommodate present-day modes of transportation to all "land-locked" or unlocated parcels.
  - d. Provide access to continue traditional gathering rights.
  - e. Prepare a social impact assessment, identifying potential impact on the community and proposed mitigative measures.
  - f. Document notification to affected landowners and lessees adjacent to a commercial development shall be made at preliminary application review submission.
6. Maunaloa *West End* community take an active part in proposed development. Where responsible community concern exists over the impact of a proposed development, and these concerns are in conflict with governmental reviewing agency, as well as the developer, or his authorized representatives, shall be present to responsibly answer residents' questions. The results of this public interview shall become part of the application and be used in determining its approval, denial, or provisional changes/additions.

- a. Subdivision of ahupua 'a into "ag lots" shall be made to a size that reflects soil type, soil quality and land slope, which will encourage agricultural use.
- b. A professional agricultural feasibility study demonstration to match typical lot sizes shall be made by the developer as a condition of permit approval. Appropriate lot size shall be determined by the developer's agricultural feasibility study.
- c. Potential water source development shall be shown prior to approval so as to not overtax present systems or require more water transfer from the North Shore Valleys. Also, the developer shall demonstrate techniques of water conservation such as recycling or other appropriate schemes.
- d. At least one-fourth of each individual agricultural lot-owner's property should be under permanent crop ground cover, ~~such as trees~~.
- e. County and State infrastructure must be shown to be adequate or near updating, to minimize development impact.
- f. All sewage, drainage and environmental problems must be adequately addressed prior to approval. Where differences between agency, developer, or responsible community members exist over "adequacy", an environmental impact statement shall be professionally prepared by the developer in accordance with HRS 343 to answer these concerns. The "Statement" shall become part of the application and be made available for review by affected parties.
- g. Archaeological, cultural and historical remains in the development area or surrounding affected region shall be professionally and traditionally investigated before any actual construction begins. A conservation and preservation orientation is mandated in the consideration of the treatment of archaeological, historical and cultural sites. Historic sites should be saved after they have been identified, rather than bulldozed. Ongoing site monitoring by a professional archaeological entity shall continue throughout the project's development so significant cultural, religious, or scientific properties can be protected and preserved in their natural surroundings for future generations.
- h. Desecration of grave sites will be treated hastily in the following manner by developers:
  - medical examination of remains to separate individuals;
  - storage of individual remains in containers of native Hawaiian wood immediately after examination;
  - meaningful attempt by developer to research and notify descendants;
  - upon successful contact, reinterment of remains in container at exact location of original burial with complete and appropriate ceremony;



- under no circumstances are artifacts to be separated from remains or grave sites. They shall be replaced with burial;
  - all artifacts should be documented;
  - commercial land development of coastal areas shall be in strict accordance with the Coastal Zone Management rules and regulations as adopted by the Hawaii State Legislature in 1975;
  - the *West End* community recommends that the ~~entire island~~ *West End coastal areas* be placed in the County Special Management Area. At the least, the *West End coastal areas* should be included in the SMA; and
  - stream channel diversion, filling, bed undermining or material removal for commercial purposes be discouraged by appropriate government enforcement agencies. Where unavoidable, the foregoing activity be carefully assessed by an environmental impact statement prior to commencement and its worth balanced against human need and environmental alteration. Periodic maintenance and/or clearing by County or State, by their contracted representatives.
7. Wetlands include identified springs and marsh areas, as well as coastal wetlands areas. Wetland alterations such as filling, draining, or other activity disrupting its ecological function be prohibited unless the need outweighs the environmental loss.
- All environmental, coastal zone wetland and wildlife regulations shall be enforced by government regulatory agencies when dealing with commercial development and traditional lands.
  - A continuation of the wetland/wildlife survey of Molokai should be continued into the *West End* area with documentation of traditional lands.
  - Destruction of these lands by commercial development should be accompanied by penalties making further desecration uneconomical. Land owners should be encouraged to return traditional lands to former use or use compatible with its traditional value by tax credits. Geographical location of commercial development, if centered away from resident impact areas, will lessen the high priced speculative costs of the limited land areas usable in *West End* and reduce consequent resident displacement in many cases.
  - Traditionally valuable lands should be given a separate and distinct category under the State of Hawaii Land Use Commission District Boundaries to read: Urban, Rural, Agricultural, Traditional and Conservation.

- All fishponds and *taro* lands shall be designated Traditional. This would elevate viable agricultural and aquacultural lands from Conservation to Traditional, and apply only traditional methods to traditional uses. This would protect the fragile ecological balance of centuries; allow Hawaiian culture and values to become a practical way of life today, and not force the land into the financially competitive market of Agricultural designation;
- All natural resources within the "Traditional" designation shall be protected from disruption except under permitted uses.
- All Hawaiian cultural, historical, and prehistoric sites be designated "Traditional".
- Land Tax Assessment: Property taxes, previously administered by the State, are now under the jurisdiction of the County of Maui, and the *West End* Community sees this as an effective tool in the implementation of this policy statement. For example, landowners who permit individual access across their property might receive compensation, and in cases of compelling public need, could be offered incentives to permit public access, rather than condemnation threats. The community further recommends the administration of this idea be suitably documented in public tax records as a guard against any showing of favoritism.

#### **C. MISCELLANEOUS GOALS AND ACTIONS:**

1. Implement a program to identify all *kuleana* lands on Molokai.
2. Implement a program for the reforestation of *kula* lands and other forest areas with native plants.

This section on land use contains changes, extends existing guidelines, and includes many innovative measures. We are a community existing as a result of our history. We seek to protect that which makes *West End* unique for ourselves, our children, and generations yet to come, by responsibly planned growth. The provisions in this statement are attempts to enrich and enhance our *West End* community's responsible growth.

The community is made up of many individuals and must reflect the concerns of all, regardless of land ownership or economic position, in order to be representative and meaningful. Commercial development must be made realistically responsible to the people it affects to prevent loss of identity, values and its precious lifestyle. Investors will share in the solution of community problems, as well as profit from the valuable natural and social resources *West End* has to offer.

Reply all | Delete Junk |

## Short Term Rentals

JA

John-Michael Andrade &lt;maikala73@yahoo.com&gt;

Tue 8:41 PM

County Clerk

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2016 MAY 11 AM 7:59

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Inbox

To Whom It May Concern:

First, I am Portugese/Hawaiian of the Robello & Hanakeawe bloodline, born and raised on Maui. I live in Paia where we provide long term and short term rentals-our property is a .5 acre R1. The main house is a 1939 home that we remodeled personally because we could not afford a contractor, in which took us over 7 years of ongoing work. We barely had any money to make improvement, but manage to leverage the property and get it done. Also this property has had four generation (grandfather, dad, me and my current kids). Im probably the 1% that is a true local that has a short term rental. I do not intend to ever sell, but to leave behind a income producing asset that will help our kids afford to live on Maui with out any entitlements from the Government.

For the record our short term is legal, but wasnt always that way in fact we struggled thru the process and I almost gave up several times because of the staff and politics. We got nasty letters from Zoning Enforcement & Planning Department in which I took it as a threat and addressed in person to these individuals. I have a family of five that I am responsible of putting food on the table, clothes on there back & roof over there head.

Let me rewind-8 yrs ago I was released from federal prison for a non-violent drug crime in 1999 which I was sentenced to 135 months and 5 yrs of supervised release. I worked my ass off various types of jobs like building box springs for mattresses, landscaping & irrigation, wedding banquet staff, Aloha House and pool maintenance. All of which is impossible to sustain a decent lifestyle on our island Maui. Of course my wife worked as well both of us barely seeing eachother because of our full time work schedules and taking turns on shifts watching our three kids.

As we all know the cost of living on Maui is not going down and furthermore inflation is killing us. I thought long and hard for a solution to survive on Maui without selling Papa George Andrade's property and moving to somewhere cheaper like Las Vegas. My solution was simple do what the haoles do-vacation rentals. You see I work for many millionaires who some own B&B and STRH and I thought if they can do it then why not me. And the money they make is ridicules, but my rental doesnt make nearly as much as my employers make-remember our home is a 1939 plantation style residence, but it sure helps supplement our income and help make living comfortable.

What kills me is we live on the property, we comply to the county policies and get penalized from the county by taking away our home owner exemption plus the taxes is crazy high (GET+Transient). And the county is planning to hike up the current Transient Taxes per the Maui News. We are not a commercial hotel/condo, but only a simple local family aiming to survive and raise our children comfortably.

In reponse to Elle Cochran video on FaceBook, in short I agree with her partially and disagree partially. For the record Maui is a tourist driven economy and small business owners like me stimulate the economy on our island. You better believe whatever money I make I put it back in my community, but the hotels, condos & large chain stores where do you think there money goes too? Yes they hire local residents so do I, but where does there profits go? Not back in our economy thats for sure. Furthermore, vacation rental owner are not to blame for no affordable housing for locals or rental rates increasing-that is due to inflation, cost of living & supply and demand. Hey we live in the middle of the ocean we depend on imports and tourism to survive here. How you like them apples? The problem is bigger than what she claims I mean who is responsible for approving all the permits for the developers coming to Maui? Who do you think drives the prices of homes thru the roof? I hate politics, but understand it well its all about special interest groups getting what they want-paying off the right people. Again I believe it is not the vacation rentals fault for long term rental rates rising or the supply of affordable housing. That is the County of Mauis fault and partially us locals reason being instead of looking for hand outs-give me, give me, give me, go out there and make it happen. I did it thru hard work, blood, sweat & tears....I come from a lower middle class family who work there butts off living from check to check.

I do agree with Elle that the local people have a say and need help, but they have to want to help themselves first and you cannot enable people because they will become dependant with entitlement issues. If there is a budget for the local people then stop the BS and get it done practice Aloha, Integrity & Ethics dont make excuses on why it wasnt done and blame others for your mistakes "Maui County" practice accountability.

Keep in mind this is all RAW from off of the top of my head. Your attention to this matter will be greatly appreciated.

Sharing my thoughts  
Mahalo,

John



Reply all | Delete | Junk |

## Kuiaha-Peahi open space funding

TD

Torsten Durkan <tordurkan@gmail.com>

Today 9:15 AM

County Clerk <County.Clerk@co.maui.hi.us>

Reply all |



2 attachments (754 KB) Download all Save all to OneDrive - County of Maui Office of Council Services

Aloha Council!

Wanted to personally thank all of you for voting for the \$9.5 million budget proposal to purchase the land from Kuiaha bay to Peahi. The Jaws cleanup we did on Saturday May 14th was a great success, with over 150 participants throughout the morning where we cleaned up all along Hahana Rd and almost 2 miles of coastline and even planted 45 native trees. So much trash was picked up I couldn't believe it, we actually needed jet ski assistance and a helicopter to remove large amounts from remote areas as we couldn't carry it all out (see photos attached). The community loves this special place and would like to see it undeveloped so our future can enjoy it as we do!

Thank you for all you do,

-Torsten Durkan

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2016 MAY 17 AM 10:47  
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## Public Testimony for the May 20th County Council Meeting

CH Chris Harrington <charringtonhana@gmail.com>  
Tue 10:56 PM  
County Clerk; EAR Committee; COW committee

Reply all |

You forwarded this message on 5/18/2016 8:00 AM

Action Items

Dear Council Members,

I am writing in response to Council Member Carroll's proposed amendment to the Short Term Rental Ordinance. I realize the intent is that a property must be owned for five years before someone can apply for a Short Term Rental Permit. Additionally, I believe the intent (as stated in the proposal) is that if a property had a short term rental permit in the three years prior or if the application is submitted prior to December 31, 2016 a new owner may apply for a Short Term Rental Permit. However, there is no "or" or "unless" after paragraph "1" of the proposal and I think this means items "2" and "3" are not actually exceptions, but rather additional requirements. Also, what if the property had a Bed and Breakfast permit in the three years prior, can that new owner apply for a Short Term Rental permit? What are the definitions of ownership? For instance, If a person gets married and puts their spouse on title, can the couple apply? Can you please clarify these issues before giving any consideration to this amendment? Personally, I do not feel this amendment is clearly written and I am especially uncomfortable with it being presented without the benefit of it being allowed to be discussed, with public testimony, at the committee level. My understanding is that this was presented by Council Member Carroll at the request of the Hana Advisory Committee. I am not clear if this is the case, however I checked the last posted agenda of the Hana Advisory Committee (May 2, 2016) and saw nothing on it about this issue. Wouldn't the Sunshine Law apply if the Hana Advisory Committee were going to discuss this issue in order to propose something representing the Hana Community?

There are limits to the amount of short term rental permits available in each district of the County. The proposed change to the ordinance is reducing the number of Hana short term rental permits from 48 to 30. Why is it then necessary to regulate who can actually apply for one of those 30 permits? Once all the spots are taken in Hana and the other districts, there would probably be a waiting list and that waiting list would be from existing property owners. In addition, permits are not transferrable so the property can not be sold on the basis of the business. Therefore, I don't see any sense to the amendment proposed by Council Member Carroll other than to create extra unnecessary governmental regulation and to discriminate against new homeowners.

I am a long time resident and property owner in Hana and I can attest that I am not one of "the people of Hana" who asked to propose this amendment. I feel it is mostly redundant and discriminatory and should be dismissed.

Thank you,  
Chris Harrington Pryor  
Hana Resident

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2016 MAY 18 AM 8:01  
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## re: Proposed Amendment to Bill No. 43

Vicki Sawyer &lt;wikitim2@gmail.com&gt;

Reply all |

Today 9:57 AM

Robert Carroll; Michael Victorino; County Clerk

As property owners and residents of Hana, I do not understand the purpose of limiting STVR permits/businesses by requiring that the property owners must own the property for five years prior to the application, so long as they meet county requirements to operate the business. They provide work for members of our community here and they provide tax dollars to our local/county/state governments (we the people). Tax dollars from sales taxes, TA taxes, GE taxes and Income taxes - also the permits themselves, which I believe are \$10K.

There are not many ways for the residents here to earn a living in East Maui, the hotel and ranch cannot employ everyone, and it is a challenging environment in which to live. The STVRs provide income to many who help operate and maintain the properties. Maui itself operates mostly on tourism dollars.

My husband and I do not operate a STVR and have no plans to, but we can still appreciate that the STVRs here do enhance our community.

Sincerely,

Vicki and Timothy Sawyer

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## County Purchase of the Kuiaha Lands-Mahalo

WK William Knowlton <bill@jim.nu>  
Today 10:28 AM  
County Clerk <County.Clerk@co.maui.hi.us>

Reply all |

Dear Mike White and the Maui County Council,

I would personally like to thank you all for inserting money in the budget for the acquisition of lands at Kuiaha/Kaupakalua, Hamakualoa. As you know our Sacred Places are being diminished by development at a rapid pace. I'm concerned about the lack of enforcement by the County Administration, especially in the Special Management Area. And I'm also concerned about the unregulated growth of the Vacation Rental business which obviously is not paying it's fair share of Transient Accommodation Taxes. There are many examples of TVRs that don't have the required Special Use Permits and Conditional Use Permits in my neighborhood alone.

The key to keeping Maui No Ka Oi is to have the administration fulfill it's mandate to enforce the laws, and also to cooperate in purchasing the legacy which have cultural, educational and historic value to the people of Maui. Mahalo to you all for putting this item in the budget and helping to keep Maui a very special place. Bill Knowlton

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## Kaiaulu Photovoltaic

G

Garymweiss &lt;garymweiss@hawaii.rr.com&gt;

Reply all |

Today 10:50 AM

County Clerk

## Action Items

I strongly support Council member Elle Cochran's position that the \$442,000 from the Affordable Housing Fund should NOT be used for photovoltaic in this Kaiaulu project. As you know, this developer originally applied for \$884,000 (see 2017 preliminary budget from January -"(6) Provided, that \$884,000 shall be for the Kaiaulu at Kaanapali Project of Aina Lani Pacific LLC for the installation of photovoltaic systems for the 33 homes in the project") and has recently lowered the request, presumably because of the appropriate scrutiny now occurring. I am appalled that this same developer has gamed the system to remove all affordable housing from the Waialele Ridge Napili project, and shifted it to much higher credit/more expensive houses in Kaanapali. This has effectively removed 37 units from Waialele Ridge, which true lower income folks who really need housing could have used. The developer is coincidentally affiliated with/owns the Pacific Solar company. I feel that company should provide the photovoltaic at no charge, since they are garnering such enormous advantages shifting their Affordable housing requirements around. Please take a closer look at this flawed process. On Maui we have a terrible shortage of affordable housing. That should not give developers the right to take advantage of residents. By residents I am referring to us taxpayers, as well as the future residents of Kaiaulu, who will be confronting the unfortunate health and safety issues associated with living next to a water treatment facility, numerous powerlines and a noisy highway. Please defer these funds to be used for those truly in need of a safe roof over their head. Thank you very much for your help. Sincerely yours.

Gary Weiss MD (concerned Maui resident)

167 Kualapa PlLahaina, HI 96761

8086672038

(c)4074962373

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## Photovoltaic Kaiaulu Budget -additional comments

G

Garymweiss &lt;garymweiss@hawaii.rr.com&gt;

Reply all |

Today 11:46 AM

County Clerk

Inbox

One other important aspect of the request for photovoltaic funding from the Affordable Housing fund. The Kaiaulu project homes are NOT Affordable IN PERPETUITY. These homes can be sold to anyone in 6 years or so according to the developer. Since the homes will likely be worth more and many will be sold for a profit, the new non-Affordable owners will be inheriting the solar equipped homes provided by the county. I feel that if the council insists on allowing this project and providing solar funding, they should also insist that the project remain Affordable in perpetuity, to ensure this is not just another house flipping opportunity, as many will view it. Thanks again for your help and support.

Gary Weiss MD (concerned Maui resident)

167 Kualapa Pl

Lahaina, Hi

8086672038

(c) 4074962373

Sent From The GMW iPhone

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## FW: Testimony: Bill 43: Vacation rentals, transient accommodations, bed and breakfasts

MW

Mike White

Today 11:02 AM

County Clerk

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2016 MAY 18 AM 11:47  
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Reply all

-----Original Message-----

From: ARABELLA ARK [mailto:arabella@arkceramics.net]

Sent: Wednesday, May 18, 2016 9:28 AM

To: Mike White <Mike.White@mauicounty.us>; Donald S. Guzman <Donald.Guzman@mauicounty.us>;

Michael Victorino <Michael.Victorino@mauicounty.us>; Gladys Baisa <Gladys.Baisa@mauicounty.us>;

Robert Carroll <Robert.Carroll@mauicounty.us>; Elle Cochran <Elle.Cochran@mauicounty.us>; Don Couch

<Don.Couch@mauicounty.us>; Stacy S. Crivello <Stacy.Crivello@mauicounty.us>; Riki Hokama

<Riki.Hokama@mauicounty.us>

Subject: Testimony: Bill 43: Vacation rentals, transient accommodations, bed and breakfasts

Aloha, Council Chair and Members,

Please accept my testimony regarding Bill 43 and all vacation rentals in general.

Maui has been rated the number one island in the world. Our visitors are multiplying exponentially. Tourism is our major industry and will continue to be far into the foreseeable future.

People from all over the world come here for many reasons: chief among them to relax, to enjoy our island ambiance-- from our gentle air to sports to food—and to explore culture and art.

We need to accommodate these visitors with aloha.

Many of us live in remote areas like Hana, Kahakuloa, Molokai and Lanai.

Earning a living is a challenge in these areas where we still enjoy and maintain a rural lifestyle.

I am an artist. As you know, through my lengthy CUP and SUP permitting process, I now have my Ark Ceramics studio open to the public. Visitors tell me that time spent in my studio seeing my art, speaking about life in Hawaii and Hawaiian history, and wandering through my gardens with views over the Alenuihaha Channel have been the highlight of their visit to Maui-- as did the editor of New York magazine who was here just last week and marveled.

For seven years I had a bed and breakfast at my home, the historic Baby Pigs Crossing in Hana and paid my Transient Accommodation taxes. I hosted reporters from the New York Times, Washington Post, as well as three Nobel Prize laureates and the director of the Paris Symphony among others. Fascinating people,



great reviews, wonderful publicity for our island.

When the new permitting process was initiated, I did not apply. Why? I am single, a senior citizen, a self-supporting artist. I could not afford to lose my homeowner's exemption or risk having my property taxes raised. With only one cottage to rent, I would not earn enough income to make applying for such a permit worthwhile.

What is the result? As a resident, I miss meeting people from other places and exchanging points of view. I lose valued income. And, the visitor loses a unique opportunity for an inside glimpse of an artist and life on Maui.

Do I take away a potential rental home from a local family? No. My cottage is not one where I could readily accommodate a long term rental. My cottage has simply become a place for family and friends.

Despite the fact that I am not in the vacation rental business any longer, it is my hope you will not impose any five year penalty or moratorium on a property owner's right to determine how they wish to use their home.

It is also my hope that you not be short-sighted and understand the current and future need for many diverse places for visitor accommodations, allowing residents and visitors alike freedom of choice.

Respectfully submitted,  
Arabella Ark  
Hana, Maui

## FW: Move to Amend Bill No.43

MW Mike White  
Today 1:37 PM  
County Clerk

Reply all |

**From:** carol carolan [mailto:carolanncarolan@yahoo.com]  
**Sent:** Wednesday, May 18, 2016 1:11 PM  
**To:** Mike White <Mike.White@mauicounty.us>  
**Subject:** Move to Amend Bill No.43

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2016 MAY 18 PM 1:40  
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COUNTY CLERK

Dear Council Member white:

It has been brought to my attention that there's a motion to "Move to amend Bill No. 43, Draft 1 (2016), by amending Section 19.65.030(O) to require applicants own a property for at least five years before applying for a short-term rental home permit." My question is, "why?" Other than making things difficult for a seller of a home with a short-term rental permit, what does Maui gain by this action? Frankly, it seems discriminatory and mean-spirited. If a house has been functioning successfully with a short-term rental permit, generating income for the county (and state) with no violations, why would you want to discriminate against a new buyer of the property by preventing them from obtaining a new permit for a period of five years? What do you gain?

Permitted short term rentals are good for Maui. The council should not be looking to further restrict the ability for home owners to get permits, they should, instead, be making the cumbersome permitting process easier.

Last year alone, we paid \$9,255.99 in GE taxes and \$20,552.26 in TAT taxes. Our expenses include our management company, travel agents, maid services, maintenance, check-in services, monthly irrigation services, gardeners, phone, gas, electric, security, water, pest control, tree cutting, refuse collection, plumbing, electrician services, painting, household goods, etc. Conservatively, in 2015, we spent \$124,162. Every cent of that

money went back to Maui ... every single cent. And this doesn't account, at all, for the money our guests are spending on the island. According to [mauiNOW.com/2014](http://mauiNOW.com/2014), visitors to Maui spend \$206 per person per day.

We follow the rules; ALL of the rules. Our house sleeps six. When guests want to add a newborn infant, making it seven people, we turn them down. No parties are held on our property. We provide a service to guests who don't want to stay in a hotel or condo and we provide a service to Maui. Most of our guests consists of mom and dad, grandma and grandpa and two children.

What do we get for our efforts? Suggested punishment by the local government. I shouldn't say it, but I'm angry and frustrated. Rather than going after those with short-term rental permits who bring significant economic value to the county and its citizens, why not go after those who work outside the system? You're attempting to punish the innocent; not the guilty.

Sincerely,  
Carol A. Carolan, Ph.D.

FW: Regarding Bill 43 and Bob Carroll's proposed change to the amendment

MW

Mike White

Today 1:37 PM

County Clerk

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**From:** Sandi Simoni [mailto:1dansandi1@gmail.com]

**Sent:** Wednesday, May 18, 2016 11:37 AM

**To:** Mike White <Mike.White@mauicounty.us>; Donald S. Guzman <Donald.Guzman@mauicounty.us>; Michael Victorino <Michael.Victorino@mauicounty.us>; Gladys Baisa <Gladys.Baisa@mauicounty.us>; Robert Carroll <Robert.Carroll@mauicounty.us>; Elle Cochran <Elle.Cochran@mauicounty.us>; Don Couch <Don.Couch@mauicounty.us>; Stacy S. Crivello <Stacy.Crivello@mauicounty.us>; Riki Hokama <Riki.Hokama@mauicounty.us>

**Subject:** Regarding Bill 43 and Bob Carroll's proposed change to the amendment

Dear Council Members,

I recently received the information regarding Councilman Bob Carroll's revision of an amendment that is in Bill 43. The change is regarding that new owner's of property, that plan to become TRV's must own a property 5 years prior to applying for a vacation rental permit.

Please consider **not** approving this change in the amendment as it penalizing all property owner's for a possible future sale, as it limits prospective buyers. Also, it takes away from new owner's the opportunity to even go through the process of applying for a TVR license. Each District already has been given a specific number of possible TVR licenses, and in Hana that number has already been reduced significantly.



This amendment seems to be redundant of what already is in place to insure that the County of Maui has a balance between Vacation Rentals and full time home owners in a specific community. I feel that the council and planning commission has worked hard to be sure of this balance.

Thank you for your consideration,

Sandi and Dan Simoni

Reply all | Delete Junk |

Date Correction. Not 2006. Rather, 2016.

C Christel and John Blumer-Buell <blubu@hawaii.rr.com>  
Today 1:42 PM  
County Clerk; Maui\_County Council\_mailbox; +1 more

Reply all |

Nahiku Community Cen...  
75 KB

Download Save to OneDrive - County of Maui Office of Council Services

Aloha Clerk and Council Members,

Apologies for the typo. Date has been corrected from 2006 to 2016.

Sorry for any inconvenience.

Mahalo,

John

RECEIVED  
2016 MAY 18 PM 1:53  
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COUNTY CLERK

Contact Persons for Community Petitioners

**Terry Kristiansen** P.O. Box 841, Hana, HI 96713, 808-248-7600  
 <[greentoes@alohaservices.net](mailto:greentoes@alohaservices.net)> and **John Blumer-Buell** P.O. Box 787, Hana, HI 96713,  
 808-248-8972 <[blubu@hawaii.rr.com](mailto:blubu@hawaii.rr.com)>

May 18, 2016 (For May 20th Meeting)

Maui County Council, Mike White Chair  
 200 South High Street, Wailuku, Hawaii 96793  
 Sent Via Email to County Clerk <[county.clerk@mauicounty.us](mailto:county.clerk@mauicounty.us)> and  
 Maui\_County Council\_mailbox <[county.council@mauicounty.us](mailto:county.council@mauicounty.us)>

Subject; PUBLIC TESTIMONY. Council Agenda H. Committee Reports 16-80  
 Regarding Proposed Nahiku Community Center.

BUDGET AND FINANCE COMMITTEE: Recommending the following:

FIRST READING of bill to amend the Fiscal Year 2016 Budget by (1) increasing Bond/Lapsed Bond revenues by \$1,950,000; and (2) adding an appropriation from the Bond Fund, Hana Community Plan Area, Government Facilities, for the Nahiku Community Center; and

FIRST READING of bill to amend the Fiscal Year 2016 general obligation bond authorization ordinance by adding \$1,950,000 for the Hana Community Plan Area, Government Facilities, for the Nahiku Community Center.

With reference to this agenda item, one or more executive meetings are anticipated pursuant to Section 92-5(a) (4), Hawaii Revised Statutes, to consult with legal counsel on questions and issues pertaining to the powers, duties, privileges, immunities, and liabilities of the County, the Council, and the Committee.

Aloha Chair White and Council,

It is sadly remarkable the Maui County Council has failed to protect Nahiku Community members and taxpayers by refusing to follow the law and requiring: 1) The legally required Environmental Assessment or Environmental Impact Statement for the NEW \$1,950,000.00 project. This is not the \$450,000.00 project described in the County of Maui SMA Minor Permit in 2012. 2) The legally required Change in Community Plan Designation from Agriculture to Public-Quasi Public. 3) The legally required Change in Zoning from Agriculture to Public-Quasi Public. 4) The legally required SMA Major Permit.

**If your intent is to follow the law, require public due process and accountability please say so in the bills.**

**Complaints regarding the Budget and Finance Committee meeting of April 29, 2016, Agenda Item BF-38(22).**

- 1) Corporation Council Pat Wong did not fully respond to the issues we have brought to your attention on numerous occasions. WE REQUEST A WRITTEN LEGAL OPINION AND CASE LAW regarding each of the four procedural issues raised in paragraph 1 of this letter. When asked by Council Budget and Finance Vice Chair White if the due process issues we raised were complied with, Maui Corporation Council Pat Wong stated (paraphrase) "The process was complied with in the first round". He gave a "political" opinion to the council, not a written legal opinion addressing each of the legal issues the community petitioners have raised repeatedly over the years.
- 2) Testifier Terry Kristiansen was rudely interrupted by Hana Council Services employee Dawn Lono. She interrupted Ms. Kristiansen during her response to a question from Council Member Victorino. Ms. Lono loudly stated, "That is not true". To say the least, that was a complete lack of professional behavior and against council protocol. Council Services personnel are not allowed to interrupt testimony given by the public. Period. Ms. Lono's interruption and comment did not allow Ms. Kristiansen to fully answer Mr. Victorino's question. The facts regarding Mr. Victorino's question have been documented in petitions sent to you repeatedly. Ms. Kristiansen gave an honest answer that may have required further clarification. That was not possible with Ms. Lono's interruption.
- 3) Council Member Robert Carroll has failed to live up to his word. In his December 18 email to Irene Pavao and the petitioners he stated in part, "As for the proposed Nahiku Community Center, the funding appropriated by the state and county has lapsed meaning, because the center wasn't built in a specified time, the sums go back to the state and county. **If the community wants to renew funding for the center, public meetings will be held in Hana, with at least two weeks' notice given so that the public (Nahiku residents ) will be able to plan their schedules and attend**". There have NOT been two official or unofficial meetings



in Hana as promised. Council member Carroll held an informal meeting in Hana on February 9, 2016. As expressed by a clear majority at that meeting, the community does NOT want to renew funding.

4) The council did recognize the issue has severely divided the community. Council Member Victorino suggested the community have a ho'oponopono to try to bring the community together. An Environmental Assessment or Environmental Impact Statement process are intended to be a ho'oponopono. There is public disclosure and the opportunity to ask questions and comment during the process. Everyone can be heard. Alternatives are considered. A consensus can be reached.

**Please state clearly and unambiguously in writing to us your intent to follow the law and require an Environmental Assessment or Environmental Impact Statement, a Change of Community Plan Designation, a Change in Zoning and a SMA Major Permit.** All the processes involve public hearings and public due process.

Sincerely yours,

*Terry Kristiansen and John Blumer-Buell*, on behalf of the petitioners.

Reply all | Delete Junk |

Thank you for supporting the Kuiaha-Pe'ahi Open space funding!

PA

Paige Alms <paigealms@yahoo.com>

Reply all |

Today 1:40 PM

County Clerk <County.Clerk@co.maui.hi.us>

To the Maui County Council,

A HUGE MAHALO!!!! Thank you so much for supporting the Kuiaha-Pe'ahi open space funding project. I am grateful to know that our county has our future generations in mind when going through with this funding. I hope to see the Pe'ahi area preserved for years to come, for it remain a special place for all, and most importantly become better, cleaner, safer.

Thank you!!!

Paige Alms

Haiku Resident, Pe'ahi big wave surfer, Haiku School graduate :)

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## \$9.5 mil Open land fund > Kuiaha lots purchase

MO Mike Ottman <mike@myspectrum.com>

Reply all |

Today 2:42 PM

County Clerk <County.Clerk@co.maui.hi.us>

Dear Councilmembers,

Wow! Many mahalos for voting in favor of allocating \$9.5 million in the County budget to supporting the Kuiaha lots purchase! Thank you Thank you thank you!!! In speaking with many of the elders and stakeholders that have lived in the Hamakua Coastal lands for generations, it was important to them to preserve all of the things this land provided - including the agriculture, fishing, and education programs - to their children, Haiku Elementary students, and the community.

Let us know what else can be done to ensure that the Mayor supports this as well. Thanks again!!

Warmest Regards,  
Mike

Mike Ottman, CFP®  
Spectrum Asset Management, Inc.  
Paia, HI  
Mobile: 808-740-5648

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OFFICE OF THE  
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If you are not the intended recipient of this email, please delete it. All confidentiality, rights and privileges are expressly preserved. Please remember to contact Spectrum Asset Management, Inc. in writing, if there are any changes in your wealth situation or investment objectives. Please be advised that there can be no assurance that any email request will be reviewed and/or acted upon on the day it is received-please be guided accordingly. A copy of our current written disclosure statement discussing our advisory services and fees continues to remain available for your review upon request.

Maui County Council  
May 18, 2016

SUPPORTING PROPOSED MAUI COUNTY BUDGET  
INCLUDING FUNDS FOR UNIT 14 OCEAN SAFETY OFFICERS'  
ARBITRATED AWARD

Thank you for the opportunity to testify. My name is Charles Among Jr., I work as a Deputy Sheriff on the island of Oahu.

I strongly support passing the proposed Maui County operating budget that includes funding for the Hawaii Government Employees Association Unit 14 Ocean Safety Officers' arbitrated award.

As you know, Ocean Safety Officers are key to saving lives at our beaches everyday. They are highly trained and skilled at ocean rescues in difficult and treacherous conditions. Ocean Safety Officers are instrumental in educating residents and visitors about the conditions at our beaches. In addition, they have been underpaid for many years.

In 2013 legislation was passed to create the new Bargaining Unit 14 which represents state law enforcement and ocean/water safety officers. Through a long negotiation process and finally through the final and binding arbitration process, Unit 14 was awarded their first contract that repriced the salary schedules to reflect a more fair wage for these job classifications.

We hope you agree that these dedicated men and women deserve the fair award decided by a neutral arbitrator.

We urge you to pass the proposed Maui County budget that includes the Unit 14 arbitration award. Thank you for the opportunity to submit testimony.

Respectfully submitted,

Charles Among Jr.

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## Support Unit 14

JC

Jaron Chong &lt;jaronchong2011@gmail.com&gt;

Wed 6:13 PM

County Clerk

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COUNTY CLERK  
Reply

Aloha,

Thank you for the opportunity to testify. My name is Jaron Chong, I work as a Water Safety Officer I for the City & County of Honolulu.

I strongly support passing the proposed Maui County operating budget that includes funding for the Hawaii Government Employees Association Unit 14 Ocean Safety Officers' arbitrated award.

As you know, Ocean Safety Officers are essential to saving lives at our beaches daily. They are highly trained and skilled at ocean rescues in difficult and treacherous conditions. Ocean Safety Officers are instrumental in educating residents and visitors about the conditions at our beaches. In addition, they have been underpaid for many years.

In 2013 legislation was passed to create the new Bargaining Unit 14 which represents state law enforcement and ocean/water safety officers. Through a long negotiation process and finally through the final and binding arbitration process, Unit 14 was awarded their first contract that repriced the salary schedules to reflect a more fair wage for these job classifications.

We hope you agree that these dedicated men and women deserve the fair award decided by a neutral arbitrator.

We urge you to pass the proposed Maui County budget that includes the Unit 14 arbitration award. Thank you for the opportunity to submit testimony.

Respectfully submitted,  
Jaron Chong, Water Safety Officer I

Maui County Council  
May 18, 2016

SUPPORTING PROPOSED MAUI COUNTY BUDGET INCLUDING FUNDS FOR UNIT 14  
OCEAN SAFETY OFFICERS' ARBITRATED AWARD

Thank you for the opportunity to testify. My name is John Hoogsteden, I work as a Water Safety Officer on the North Shore of Oahu.

I strongly support passing the proposed Maui County operating budget that includes funding for the Hawaii Government Employees Association Unit 14 Ocean Safety Officers' arbitrated award.

As you know, Ocean Safety Officers are integral to saving lives at our beaches everyday. They are highly trained and skilled at ocean rescues in difficult and treacherous conditions. Ocean Safety Officers are instrumental in educating residents and visitors about the conditions at our beaches. In addition, they have been underpaid for many years.

In 2013 legislation was passed to create the new Bargaining Unit 14 which represents state law enforcement and ocean/water safety officers. Through a long negotiation process and the **final and binding** arbitration process, Unit 14 was finally awarded their first contract. This compact repriced the salary schedules to reflect a fairer wage for these job classifications.

We hope you agree that these dedicated men and women deserve the fair award decided by a neutral arbitrator.

We urge you to pass the proposed Maui County budget that includes the Unit 14 arbitration award. Thank you for the opportunity to submit testimony.

Respectfully submitted,

Lt. John Hoogsteden  
City & County of Honolulu  
Ocean Safety and Lifeguard Services  
808-398-3986

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Maui County Council  
May 18, 2016

SUPPORTING PROPOSED MAUI COUNTY BUDGET  
INCLUDING FUNDS FOR UNIT 14 OCEAN SAFETY OFFICERS'  
ARBITRATED AWARD

Thank you for the opportunity to testify. My name is Edward Stankos, I work as Deputy Sheriff. I strongly support passing the proposed Maui County operating budget that includes funding for the Hawaii Government Employees Association Unit 14 Ocean Safety Officers' arbitrated award.

As you know, Ocean Safety Officers are key to saving lives at our beaches everyday. They are highly trained and skilled at ocean rescues in difficult and treacherous conditions. Ocean Safety Officers are instrumental in educating residents and visitors about the conditions at our beaches. In addition, they have been underpaid for many years.

In 2013 legislation was passed to create the new Bargaining Unit 14 which represents state law enforcement and ocean/water safety officers. Through a long negotiation process and finally through the final and binding arbitration process, Unit 14 was awarded their first contract that repriced the salary schedules to reflect a more fair wage for these job classifications.

We hope you agree that these dedicated men and women deserve the fair award decided by a neutral arbitrator.

We urge you to pass the proposed Maui County budget that includes the Unit 14 arbitration award. Thank you for the opportunity to submit testimony.

Respectfully submitted,

Sgt. Edward C. Stankos  
Administrative / K-9 Sergeant  
Airport Sheriff Detail  
Honolulu International Airport

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Reply all | Delete Junk |

## Ocean SAFTEY

KP

Kaleiolani Pasciuta &lt;kaleilei.p@gmail.com&gt;

Reply all |

Today 9:04 AM

County Clerk

Please funds Ocean Safety Officers. Seeing as we are surrounded by water and miles and miles of coastline, their service is vital to our Public Safety and our tourism industry. Mahalo. Kalei Pasciuta

Sent from my iPhone

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## BU 14 Arbitration Award

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BP

Bryan Phillips &lt;bryanphillips808@gmail.com&gt;

Today 9:32 AM

County Clerk

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Reply all |

Maui County Council

May 18, 2016

SUPPORTING PROPOSED MAUI COUNTY BUDGET INCLUDING FUNDS FOR  
UNIT 14 OCEAN SAFETY OFFICERS' ARBITRATED AWARD

Thank you for the opportunity to testify. My name is Bryan Phillips, I am a lifeguard on the North Shore of Oahu of 12 years. I strongly support passing the proposed Maui County operating budget that includes funding for the Hawaii Government Employees Association Unit 14 Ocean Safety Officers' arbitrated award.

As you know, Ocean Safety Officers are key to saving lives at our beaches everyday. They are highly trained and skilled at ocean rescues in difficult and treacherous conditions. Ocean Safety Officers are instrumental in educating residents and visitors about the conditions at our beaches. In addition, they have been underpaid for many years.

In 2013 legislation was passed to create the new Bargaining Unit 14 which represents state law enforcement and ocean/water safety officers. Through a long negotiation process and finally through the final and binding arbitration process, Unit 14 was awarded their first contract that repriced the salary schedules to reflect a more fair wage for these job classifications.

We hope you agree that these dedicated men and women deserve the fair award decided by a neutral arbitrator.

We urge you to pass the proposed Maui County budget that includes the Unit 14 arbitration award. Thank you for the opportunity to submit testimony.

Respectfully submitted,

Bryan Phillips  
Ocean Safety Honolulu

Reply all | Delete Junk |

## Urgent - Maui County Council Budget!

MF

Mary Friese &lt;maryfrieze72@gmail.com&gt;

Reply all |

Today 10:13 AM

County Clerk

Inbox

There is lots of buzz on social media about the finance committee deferring the measure to approve deserved pay increases and other cost items of the Unit 14 arbitration decision for Maui County Ocean Safety Officers. This puzzles and frightens me. Where would we be without our lifeguards? How can I bring my large family to vacation there if they aren't treated fairly and their desperately needed service to the public is compromised, even slightly. They need and deserve fair compensation.

I urge you to please support the passing of the Maui County Council budget that includes funding of the Unit 14 Arbitration decision without delay. Keep your waters safe by doing the right thing by safety officers, I implore you.

Thank you,  
Mary Friese  
[516-864-1190](tel:516-864-1190)

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Reply all | Delete Junk |

## Support Funding of Bargaining Unit 14 Contract

AA Arnold Abe <championhome@hotmail.com>  
Today 10:50 AM  
County Clerk

Reply all |

Aloha Council Members,

I'm writing in support, to fund our Water Safety Officers' first contract. This contract was processed under the final and binding arbitration requirement under state law (Chapter 89), since there was an impasse in the negotiation process. In the arbitration hearing, one of the issues that the arbitration panel is required to consider is the employers' ability to pay. With the books opened up, the panel did conclude that the employers had the ability to pay the awarded amount. So now, it is before the County Council for funding, and it seems not to be a question of the County's ability to pay, but its willingness to do so.

I personally go to the beach just about every weekend, and I support having safe beaches and paying the Ocean Safety Officers a decent and fair salary; they continue to risk their lives to keep our beaches safe, and should be compensated appropriately.

I again request that the Council fully fund the final and binding arbitration award for the HGEA Unit 14 members, Ocean Safety and State Law Enforcement Officers, who dedicate their lives and careers to keeping the public and our visitors safe.

Aloha,  
Arnold Abe, Wailuku

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## Lifeguard pay

LM

Lindssey Mathews &lt;lindseymathews21@gmail.com&gt;

Reply all |

Today 11:13 AM

County Clerk

Action Items

Good morning Maui County,

Tomorrow is the day you decide whether to pay our brave lifeguards what they deserve; or to neglect them, throw binding arbitration to the wind, and buy a fountain for the airport. I have sent a few emails in the last few weeks, in hopes that my voice will be heard. I am writing because I have close friends that are North Shore lifeguards on Oahu. Every single day they put their lives on the line, they operate in treacherous conditions, push their physical and mental limits. Only to go work second jobs at the end of the day. My friends work hard, they do a job most can't fathom or perform. Please vote give them a raise.

Mahalo and have a wonderful day!

Lindsey Mathews

Haleiwa, Oahu

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## BF-6 unit 14 binding arbitration

TP

Tamara Paltin &lt;tampaltin@gmail.com&gt;

Reply all |

Today 11:59 AM

County Clerk; BF Committee; Elle Cochran; Don Couch; Donald S. Guzi

Aloha Council Chair Mike White and Council Members Don Guzman, Mike Victorino, Gladys Baisa, Riki Hokama, Elle Cochran, Don Couch, Robert Carroll and Stacy Crivello,

Mahalo for your support of BF-6 in regards to Unit 14 binding arbitration and Ocean Safety's first ever contract on May 11. I appreciate the recognition that Maui County Ocean Safety has worked very hard to get where we are now and that the public's trust in our abilities and professionalism has led them to decide we should make the move from Parks and Recreation to Fire and Public Safety. We have volunteered on the 911 system longer than any other county exactly because Maui County is no ka 'oi and I thank you for moving this contract forward.

I was able to watch a re-run of the May 11 hearing and a few issues stuck out to me.

1.) It is true that a good number of our ocean rescues involve our visitors and yet we do not keep statistics of the percentage of rescues that are visitors vs. residents. I think that type of information would go a long way in making our case to State legislators and I am willing to work with any of the members to speak with my supervisors to start compiling the types of information (in our Ocean Safety field) that would make a better case for more return of TAT funds or an earmark of TAT funds to allow Ocean Safety to continue to do our best to keep tourist as well as residents safe.

2.) The process of binding arbitration was brought up as broken because the council who "holds the purse strings" is not involved in the negotiation process. Personally I think that if there were good communication and good faith between the council and administration this would not be as big of an issue as it was with our first contract but seeing as that does not seem to be the case, I sincerely believe the council-manager structure would allow for the council to be more involved in the process and be a valid solution to this 'dysfunctional' system. Of course giving the voters the ultimate decision in what type of government structure they want is key.

In closing I'd like to thank all of you again for supporting Ocean Safety and the work that we do with the limited resources available, and ask for your continued support this coming Friday to keep things running smoothly. Please do not hesitate to contact me if there are any questions or if you have suggestions on the type of data that you would like us to start compiling involving Ocean rescues.

Malama Pono  
Tamara Paltin  
110 Pualu Pl  
Lahaina, HI 96761  
808-870-0052

# UNITE HERE!

## LOCAL 5 HAWAII

*Eric Gill, Financial Secretary-Treasurer*

*Hernando Ramos Tan, President*

*Godfrey Maeshiro, Senior Vice-President*

Thursday, May 19, 2016

The Honorable Mike White, Chair  
and Members  
Maui County Council

*TESTIMONY submitted on behalf of UNITE HERE! Local 5*  
*Re: Bill 43; RELATING TO SHORT-TERM RENTAL HOMES*

Chair White and Members:

UNITE HERE Local 5 is a local labor organization representing 11,000 hotel, health care and food service workers employed throughout our State. Thank you for allowing us to submit the following written comments on Bill 43 - a bill that begins to reflect this Council's desire to better understand the impacts of our island's growing vacation rental industry and its impact on the housing needs of our local families.

As we've previously mentioned, since Bill 43 would allow Transient Vacation Rentals, Short-Term Rental Homes and Bed & Breakfasts in A-1 and A-2 areas, it will be crucial that there remain strict numerical caps on the number of each type of lodging allowed in each community. It will also be crucial that enforcement agencies have the power to take meaningful, swift action to prevent the impacts of illegal rentals on our neighborhoods.

There are many good aspects of this bill, such as the requirement that if someone is found operating without a permit that they be banned from applying for a license for 5-years; and the move to mirror the criteria for revocation with those for non-renewal of short-term rental home permits. It is key that advertisements and guest comments can be used as evidence of short-term rental home operation.

We would also like to submit to this Council our report on the growing vacation rental industry and housing as part of our formal written testimony on Bill 43.

Thank you again.

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# THE HIDDEN COST OF HIDDEN HOTELS

THE IMPACT OF VACATION RENTALS IN HAWAII



Report by UNITE HERE Local 5  
Isis Usborne  
Benjamin Sadoski  
May 2016



## Executive Summary

- A state study found the number of visitors to Hawaii using vacation rentals to have grown by more than one third in a recent one-year period. The Hawaii Tourism Authority (HTA) estimates that there are about 27,177 vacation rentals in the state that are advertised online, up from 22,238 identified in 2014. About 6,789 units on Oahu alone.
- Part of the growth in vacation rentals is due to rental platforms like Airbnb and VRBO, which allow owners and operators to list their rental offerings on a searchable online database. Airbnb in particular is a fast-growing startup – started in 2008, it now claims to have over two million rental listings worldwide.<sup>1</sup>
- In Honolulu, the average rent for a two-bedroom unit between 2012 and 2014 was \$1,939 per month,<sup>2</sup> but a two-bedroom unit on Airbnb could generate revenue of over \$10,500 per month at the average rate of \$431.88 per night and an occupancy rate of 80% – over five times as much revenue.
- Hawaii is deep in an affordable housing crisis, yet there are over 5,000 units statewide being advertised for short-term rental of the entire unit. There are no effective safeguards to ensure that these units are used as residences for even a part of the year.
- Although there are laws in each county restricting vacation rental operations, an ineffective regulatory structure and relative lack of enforcement have allowed illegal vacation rentals to propagate throughout the state for years. Analysis of the units the HTA identified on Oahu uncovers that at a minimum, 50% are operating illegally.
- Throughout Hawaii, 79.6% of Airbnb listings are categorized as “entire place,” meaning an entire housing unit is being rented out to visitors. Many of these units are being rented out by people with multiple listings.
- Short-term rentals directly compete with the traditional hotel industry in fundamentally unfair ways: while hotels create and sustain quality jobs for local people (housekeepers, front desk workers, security guards, bellmen, etc.), the few jobs created by short-term rentals are geographically scattered and leave employees with little power to protect their rights or achieve decent wages or benefits. Workers in this market are forced to compete with one another.
- The right regulatory framework for vacation rentals can ultimately protect hotel industry jobs, help keep the affordable housing crisis from getting worse, and benefit the community while still allowing rental owner/operators a path forward. Part of the framework already exists in each county’s laws, but in order for the rules to be effective, each county government’s enforcement powers need to be expanded, and private citizens need to be granted a right to take legal action independently.



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# Introduction

Across Hawai'i, houses and condominiums have been used as lodging for tourists for well over 30 years. While vacation rentals appeal to many visitors seeking a less resort-based experience, their proliferation has had a significant impact both directly on the communities they are in and indirectly on housing and employment across the state.

In response, each county has to some degree enacted legislation to balance the growth of the alternative lodging industry against the needs of our communities. However, these regulations have generally fallen short of being effective because they lacked strong enforcement mechanisms and dedicated enforcement personnel. This lack of enforcement, paired with the growth of the internet, allowed vacation rentals to proliferate illegally. Now, with the popularization of smartphones and the resulting growth in the use of smartphone apps, vacation rentals are expanding and changing the industry in ways that can no longer be ignored.

This report explores individually advertised short-term rentals in Hawai'i: what the industry looks like, how it is growing, and what that means for our State. It examines how their growth negatively affects affordable housing, sustainable jobs, tax revenues and the overall safety of both residents and visitors. Finally, this report proposes the framework for a regulatory structure to effectively allow the vacation rental industry to flourish in a way that fits with the best interests of our communities.



# Part I – Background on Vacation Rentals

## What are vacation rentals?

Vacation rentals are nothing new to Hawai'i – people have been renting out houses on Windward Oahu and condos in Waikiki for almost as long as the state has been a popular tourist destination. Some are second homes or investment properties; others are bed & breakfast operations where the owner or proprietor lives on property and rents out rooms; some are condominium or condotel units individually rented out (this report uses the term "vacation rentals" to describe all of these various types of individually advertised lodging units).

Property owners may find renting units short-term to tourists to be a lucrative alternative to renting long-term – even at 80% occupancy, entire units listed on the short-term rental platform Airbnb charging an average rate for Oahu could generate revenue of \$5,900 per month, more than three times the average rent of \$1,732.<sup>3</sup> Larger units could generate proportionally more profit: In Honolulu, the average rent for a two-bedroom unit between 2012 and 2014 was \$1,939 per month,<sup>4</sup> but the average listing of a two-bedroom unit on Airbnb is \$431.88 per night. At 80% occupancy, that would generate revenue of over \$10,500 per month – over five times as much revenue.

With the development of the internet, "home-sharing" websites run by companies such as VRBO (Vacation Rental by Owner) and Craigslist arose, providing platforms for individuals to advertise short-term rentals to much larger audiences than ever before. The industry has been revolutionized again with the development of the smartphone market. According to market research firm GfK, global smartphone sales topped 1.3 billion in 2015,<sup>5</sup> up more than 31% from the number sold in 2013, just two years prior.<sup>6</sup> As smartphones have become more prevalent, the smartphone app market has grown exponentially. In January 2016, over 8.8 million iPhone apps were downloaded per day, only counting the top 200 free apps, according to Fiksu.<sup>7</sup>

One fast-growing app is published by Airbnb, a company which allows virtually anyone – bed and breakfast operators, homeowners, renters, etc. – to advertise and rent out accommodations ranging from an entire house to a spare couch in a rented apartment. Through both its app and its website, Airbnb.com, the company acts as a peer-to-peer platform where people looking for alternative accommodations can find and do business with "hosts," Airbnb's term for people providing rentals.

Airbnb has grown internationally in recent years to become a leading name in short-term lodging, although the longer-lived VRBO.com and its parent site Homeaway have more listings in Hawai'i.<sup>8</sup> Airbnb's popularity combined with its high levels of fundraising from prominent investors has caused its valuation to jump to \$25.5 billion<sup>9</sup> since its inception in 2008. By 2015, its valuation had surpassed that of major hotel companies Marriott, Starwood and Hyatt<sup>10</sup> (prior to Marriott's acquisition of Starwood). It claims to have over 2,000,000 listings<sup>11</sup> worldwide, which is about as many as Marriott, Starwood, Hilton and Hyatt **combined**.<sup>12</sup>





## How many vacation rentals are there?

In 2014, a Hawai'i Tourism Authority (HTA)-commissioned survey found 22,238 so called "individually advertised units" (IAUs) across the state.<sup>13</sup> HTA updated the study one year later and found that the number had grown to 27,177, a 22% increase.<sup>14</sup> Another report by HTA found that the use of short-term rentals in general by tourists to these islands increased by more than 1/3 from February 2014 to February 2015. "The number of visitors using a vacation rental was up 46.8 percent. B&B users climbed 33.4 percent,"<sup>15</sup> according to the *Honolulu Star-Advertiser*.

## Who benefits from vacation rentals?

Supporters of vacation rentals across the state have argued that this commercial activity brings money into residential communities, and benefits long-time residents who are simply trying to support themselves in trying financial times. Airbnb in particular claims to be based on the ethos of 'sharing,' stating that "The majority of Airbnb hosts are regular people who occasionally share the home in which they live."<sup>16</sup> The reality, however, is somewhat different.

**Airbnb Hawaii Listings by Room Type**



■ Entire Place (79.6%) ■ Room or Share (20.4%)

For example, a profile advertising 27 Hawaii listings features a picture of a woman named Claudia, who claims to work for a property management company.<sup>18</sup> Most of her properties are in Waikiki, and their nightly prices range from \$108 to \$3,800. According to her LinkedIn profile,<sup>19</sup> Claudia works for a company called Ohana Beach Rentals LLC, which lists 150 rentals across the state.<sup>20</sup>

This example is by no means unique. An admittedly incomplete search of hosts turned up 25 in just a few minutes who advertised multiple listings in Hawaii.<sup>21</sup>

Even more than hosts with multiple listings, Airbnb as a company benefits from the spread of vacation rentals in Hawaii. Airbnb charges a 3% service fee to hosts<sup>22</sup> and a 6-12% service fee to guests<sup>23</sup> every time a booking is completed on its site.

Throughout Hawaii, 79.6% of Airbnb listings are categorized as "entire place," meaning an entire housing unit is being rented out to visitors.<sup>17</sup> While it is undoubtedly true that there are individuals using platforms like Airbnb to share their homes to make a few extra dollars and make ends meet, some individuals who post properties on the site are actually employees of large vacation rental management companies or owners with multiple properties.

"In a way, Airbnb almost perfectly embodies the paradox of the sharing economy. From one perspective, it seems — and purports — to be about connecting people with one another and the things they want, all while maximizing efficiency. But from another angle, it can seem like nothing more than a way for certain individuals to maximize profit by working around the law."  
— Caroline O'Donovan, BuzzFeed



"During the past two years, investors have bought approximately 200,000 single-family homes, mostly foreclosures, in urban areas nationwide, with plans to convert them into rental properties." – "Game of Homes," *In These Times*, March 31, 2014.

In the future, well-capitalized investors will have every incentive to buy up housing units from individuals like these and generate revenue for themselves. In fact, big investors already are buying up homes and renting them out. For instance, the Blackstone Group, a private equity firm with over \$330 billion in assets under management<sup>24</sup> has become the single largest private owner of homes in the US, after spending over \$8 billion buying 47,000 homes<sup>25</sup> since April 2012.<sup>26</sup>

## How do vacation rentals impact our communities?

Vacation rentals impact our communities in a number of ways:

- **Affordable housing:** Hawaii is deep in an affordable housing crisis, yet there are over 5,000 units statewide being advertised for short-term rental of the entire unit.<sup>27</sup> There are no effective safeguards to ensure that these units are used as residences for even a part of the year. Additionally, short-term rentals drive up the demand for the development of new high-end housing, which supplants affordable housing development.
- **Jobs:** In addition to this, short-term rentals directly compete with the traditional hotel industry in fundamentally unfair ways: while hotels create and sustain quality jobs for local people (housekeepers, front desk workers, security guards, bellmen, etc.), the few jobs created by short-term rentals are geographically scattered and leave employees with little power to protect their rights or achieve decent wages or benefits. Workers in this market are forced to compete with one another, which will tend to suppress wages.
- **Safety:** Because they are not inspected for the same building, fire, and health codes, or accessibility requirements as hotels, short-term rentals are able to spend less on property maintenance. This virtual lack of safety regulation/enforcement of short-term rental legislation (especially in regard to illegal units not registered in their county) can pose dangers to visitors as well as hosts.
- **Quality of life:** As the proportion of units used for vacation rentals in a community increases, they bring with them a host of social and logistical difficulties for neighbors.
- **Lost revenue:** Vacation rental guests spend less money overall during their stays than those staying in hotels.<sup>28</sup> Unless it can be definitively shown that these visitors would not have come to Hawai'i if they could not stay in vacation rentals, the shift to vacation rentals results in less revenue entering Hawai'i's economy either by reducing hotel occupancy and/or demand.



## Current regulatory framework

Legislation regarding short-term rentals is generally incorporated into zoning and land use laws, which are mostly handled at the county level in Hawaii. Each county has adopted a different set of regulations and different terminology. Below are some of the key aspects of each county's rules.

### City and County of Honolulu

The City and County of Honolulu designates two different types of short-term rentals in its Land Use Ordinance (LUO), which regulates all land use in the county: Bed and Breakfasts (B&Bs), where the owner/proprietor resides on the property, and Temporary Vacation Units (TVUs), where the owners/proprietors live remotely. In 1989, City Council passed a bill prohibiting the new development of both kinds of short-term rentals while legalizing the ones that were already in use. As a result of the legislation, B&Bs are currently only allowed where they have a "nonconforming use certificate," or a permit certifying that they were in use before 1989; such units are considered "grandfathered." TVUs which were in use before 1986 were similarly grandfathered. As of May 13, 2015, there were 828 units (789 TVUs and 39 B&Bs) with nonconforming use certificates in the county, only 177 of which were outside of Waikiki. TVUs are also permitted in resort-zoned areas, as well as certain apartment-zoned areas<sup>29</sup> near Waikiki, Ko Olina and Makaha Golf Club.<sup>30</sup>

In spite of this attempt to quell their proliferation, illegal rentals continue to pose problems in Honolulu and across the state. Ohana Beach Rentals, for example, features seven luxury Kailua/Kaneohe rentals, none of which have nonconforming use certificates and none of which are in or near resort areas.<sup>31</sup>

### Maui County

Maui County, after attempting to ramp up enforcement against illegal units, passed legislation in 2008 and 2012 that defined the current application process for "new" rentals. The two ordinances set numerical limitations on B&Bs and short-term rental homes (STRHs): only 400 of each are currently allowed across the county.<sup>32</sup> The regulations limit the size and use of units, who can own them and how they can be used.<sup>33</sup> The permitting process for new B&Bs and STRHs provides opportunities for community input. Applicants are required to notify all neighbors within a certain radius of their intent to operate a B&B or STRH. If enough neighbors protest the application, the Planning Commission may hold a public hearing about it.<sup>34</sup> A similar complaint process can be used to revoke permits.<sup>35</sup> Despite this attempt at regulation, however, there are more individually advertised units on Maui than any other island in the State.<sup>36</sup>

### Kauai County

Kauai County has enacted limitations on use and development based on geographic areas (generally speaking, Resort and Commercial districts and Visitor Destination Areas) for short-term rentals, which they term Transient Accommodation Units, or TAUs and Single-Family and Multi-Family Transient Vacation Rentals, or TVRs. As with units on Oahu outside of permitted areas, Kauai allowed some grandfathered units to continue operating.<sup>37</sup> The county provides for growth in the number of permits issued, but limits growth to roughly 1% per year.<sup>38</sup>

### Hawaii County

Hawai'i County regulations only allow for B&Bs. The law regulating B&Bs requires operators to live on property, and imposes limits the number of bedrooms offered for rent, meals offered and parking offered. The County does allow for B&B operation in a range of residential, commercial and resort zones.<sup>39</sup>



In certain cases, the process for obtaining a permit for a B&B requires notification of neighbors, in a similar manner to Maui County. The Hawaii County Planning Commission is also required to hold public hearings in special cases as well.<sup>40</sup>

## State Laws

State law does not address vacation rentals except:

- they are subject to the Transient Accommodations Tax and General Excise Tax,
- in the regulation of condotels (allowing condotel owners to individually manage their own units),
- it requires ads for vacation rentals to include property registration numbers, and
- a requirement that owners designate a "local contact" who resides on the same island as their property and provide contact information for that person prior to booking.<sup>41</sup>

## Measuring the Prevalence of Illegal Vacation Rentals

The HTA estimates that there are about 27,177 "individually advertised units" in the state that are advertised online, including 9,492 classified as Vacation Rental House and 16,159 classified as Vacation Rental Condo.<sup>42</sup> In fact, the HTA's report found about 6,789 units on Oahu alone. Since there are 828 units with non-conforming use certificates on the island, the other 5,961 units would have to be in or near resort areas to be legal.<sup>43</sup> After making the most generous assumptions about what units might possibly be legal, there remains a minimum of 3,431 units from the survey which were operating illegally.<sup>44</sup> The number could, of course, be much greater, and it can grow quickly. From 2014 to 2015, the number of Individually Advertised Units statewide grew by 22%, or 4,938 units. In 21 zip code areas in Hawaii, the number of IAUs grew by more than 100%.<sup>45</sup> New York City, for instance, witnessed a 5000% growth in residential units being used as transient hotels over a 6-year period.<sup>46</sup>

Analysis of the HTA study reveals there were 7 areas on Oahu where 100% of the vacation rentals were illegal and 11 additional areas in which 94-99.9% of the vacation rental units were illegal.<sup>47</sup>

The two areas with highest density of vacation rentals on O'ahu are Hale'iwa and La'ie.

- In Hale'iwa, the HTA study found about 655 vacation rentals – about 21.6 short-term rentals for every 100 residential homes. Since there are only 29 units registered with nonconforming use certificates in this area, the other 626 units must have been operating illegally. There are 20.7 illegal vacation rentals for every 100 housing units.
- There were about 228 vacation rentals in La'ie at the time of the study, but only 6 units have nonconforming use certificates with the county. The remaining 222 units are illegal. There are 18.7 illegal vacation rentals for every 100 housing units.

Area	Illegal IAUs per 100 housing units
Hale'iwa	20.7
La'ie	18.7
Kahuku	18.0
Hau'ula	15.4
Ka'a'awa	7.0
Waialua	5.6
Waimanalo	5.6
Kailua	4.3

## Why are there so many illegal units? A problem of enforcement

Even with these regulations, enforcement efforts in most areas have not been consistent or effective enough to stop the spread of illegal units. On Oahu, the Department of Planning and Permitting (DPP) is responsible for responding to complaints of illegal vacation units. DPP's power is greatly restricted:

- Investigations are conducted by staff members who are responsible for enforcing all the ordinances and codes of the city within the time limits of a regular workday.
- In the course of the investigation, inspectors must visit the property, find someone on the property who will admit to being a short-term renter, and issue a violation notice to the landlord (who is given a month to fix the violation).<sup>48</sup> Only after this process may fines be levied against the owner/landlord.<sup>49</sup>

According to research conducted by Civil Beat in 2010, 749 investigations were launched that year in response to complaints about illegal short-term rentals units, but only 24 violations were found. Only 18 of the violating property owners were reprimanded, and only 2 of the violators were fined a cumulative \$4,433.<sup>50</sup>

The DPP reported that in 2014 and 2015, it conducted 2,719 site visits, resulting in 57 violation notices and 31 violation corrections.<sup>51</sup> In other words, only 2.1% of site visits resulted in a violation notice, and less than 55% of those that got a violation notice corrected the violation.

In January 2016, the DPP announced it was hiring five new inspectors to crack down on illegal vacation rentals. In its first month, the team cited 21 violators.<sup>52</sup> The hiring initially has increased enforcement, but much more can be done on a policy level to stem the proliferation.

"Not only does Airbnb facilitate illegal conversions of entire buildings from tenant apartments to de facto hotels, it has also become part of the landlord lobby that resists enforcement of local laws prohibiting such abuses."  
- *The American Prospect*

Notably, on February 24, Airbnb asked the City to stop enforcing the law against illegal rentals.<sup>53</sup>

Meanwhile, the State of Virginia passed a bill<sup>54</sup> on March 6, 2016 preempting the power of local governments to ban or restrict vacation rentals.<sup>55</sup> As of the time this report was written, the Arizona legislature was in the midst of contemplating a similar prohibition.<sup>56</sup>



## Part II - The Impacts of Vacation Rentals

Vacation rentals have broad impacts on a variety of segments of our communities and our lives. Those looking for affordable housing and decent jobs, those trying to keep their neighborhoods safe, those renting their houses or vacation homes and guests at such accommodations are all greatly affected by the existence, quality and enforcement (or lack thereof) of regulations on vacation rentals, often in ways they may not be aware of.

### Effects on Working People

The Hawaii hotel industry is one of the largest sources of good, long-term jobs in the state. These jobs sustain local families and support our communities. Illegal vacation rentals offer lodging services without supporting sustainable jobs for local people. In fact, they compete with hotels for business, and by operating illegally, they can undercut hotel room rates by operating illegally, skipping out on taxes, capital expenditures and labor costs.

While the average wages and benefits paid to workers servicing illegal units is not clear, these workers face a nearly insurmountable systemic barrier to organizing together to win better working conditions and wages. To the extent there are any employees at all, it is unlikely that any individually advertised unit would have more than one or two employees servicing it. Even large-scale operators listing hundreds of units in various locations could get by with minimal staff. Without a central base of operations, housekeepers servicing different units might never even meet one another, much less have enough contact to begin discussing their wages and benefits. Lone employees who attempt to assert their rights or try to improve their working conditions can easily be replaced, with little recourse except a potentially very long, expensive legal battle that few would have the time, money and energy to take on. The isolation of the lone worker and the ease to the employer of replacing them leaves them nearly powerless. They are ultimately competing against one another for work. In an area like Hawaii where so many people must work second or third jobs to make enough money to get by, the competition for this work is likely to drive down wages.

### Effects on Affordable Housing

Vacation rentals have a negative impact on affordable housing in two ways: 1) they represent units taken out of the overall housing stock statewide, limiting the supply and driving up prices; and 2) the ability to operate any unit as an illegal vacation rental inflates demand for new construction at the high end of the market, giving developers an incentive to build luxury units to the exclusion of lower-priced units.



## Regulatory battle in NYC

In New York City, local laws prohibit residential units from being rented out for less than 30 days. When Airbnb began to gain popularity in the city, neighbors began to complain about increased noise and traffic in their buildings, and to suspect that rent-controlled units were being negatively affected by this new economic activity. NYC's attorney general Eric Schneiderman confirmed these fears in a report detailing the ways in which Airbnb and its hosts were hurting the local economy and flouting local laws. According to his research, 72% of Airbnb listings on NYC from January 2010 to June 2014 were illegal. Additionally, Airbnb hosts with multiple property holdings, termed "commercial users" in the report, accounted for a disproportionate amount of the revenue coming from listings across the city:

"Ninety-four percent of Airbnb hosts offered at most two unique units during the Review Period. But the remaining six percent of hosts dominated the platform during that period, offering up to hundreds of unique units, accepting 36 percent of private short-term bookings, and receiving \$168 million, 37 percent of all host revenue."<sup>57</sup>

Schneiderman found other troubling trends as well, including that the listings were primarily concentrated in gentrified or rapidly-gentrifying neighborhoods, and that almost half of the listings constituted housing units that were effectively removed from the long-term housing market (and the number of such units increased over time):

"In 2013, more than 4,600 units were booked as short-term rentals through Airbnb for three months of the year or more. Of these, nearly 2,000 units were booked as short-term rentals for a cumulative total of half the year *or more*—rendering them largely unavailable for use by long-term residents. Notably, the share of revenue to Airbnb and its hosts from units booked as private short term rentals for more than half the year increased steadily, accounting for 38 percent of each figure by 2013."<sup>58</sup>

Regulations there remain stringent, but listings in the area continue to proliferate on Airbnb illegally.

## Existing housing stock

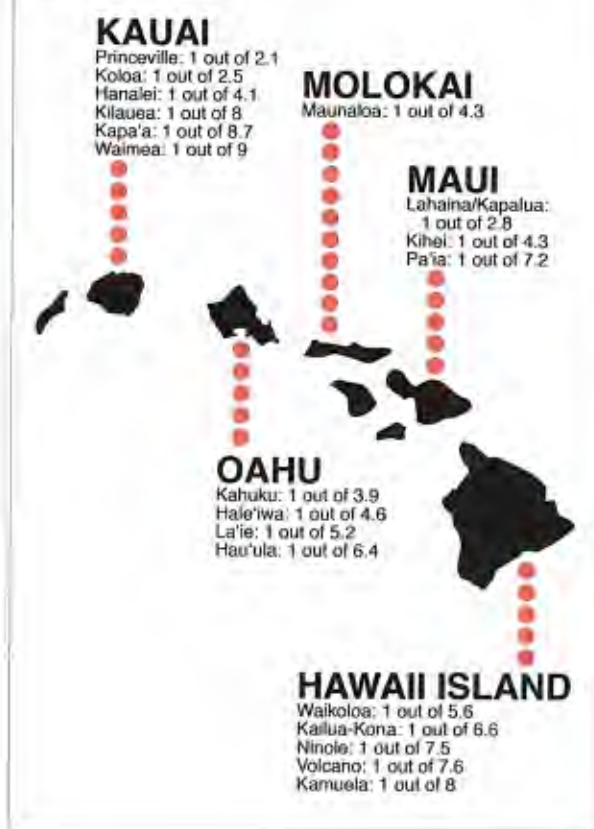
Short-term rentals exacerbate the current lack of affordable housing for Hawai'i residents. The preceding analysis of the HTA survey identified a minimum of 3,431 units advertised illegally on Oahu. While this number currently appears relatively small in proportion to the 306,622 total housing units on Oahu (just over 1 illegal unit for every 100 housing units), some areas see a much more significant impact from vacation rentals than others.<sup>59</sup>

In Princeville, Kōloa, Lahaina and Kahuku, there is more than one IAU for every four housing units.

Residents in areas with high vacation rental densities have testified time and time again that vacation rentals in their communities are making the affordable housing crisis worse.<sup>60</sup>



## Number of IAUs per housing unit:



Other cities<sup>61</sup> have seen similar trends in housing being converted to short-term rentals for listing on Airbnb. San Francisco recently won \$276,000 settling a lawsuit which alleged that residents were evicted as their landlords converted their units to vacation rentals. According to San Francisco City Attorney Dennis Herrera, "Illegal conversions that push long-term tenants out of their homes diminish the availability of residential rental units for San Franciscans, and they're a significant contributor to our housing affordability crisis."<sup>62</sup>

Short-term rentals may be causing housing prices and rental rates to increase in many major cities. Ty Simrosky, planning director for Key West, Florida, explained why this might be occurring in an article from American Planning Association:

"When property owners decide to increase their "rent stream" with short-term rental agreements rather than renting by the season or the year, they essentially "squeeze" the supply of housing, pushing up the demand, and, subsequently, the cost."<sup>63</sup>

This negatively affects the availability and cost of housing units for everyone.

## New Developments

The same dynamic which constricts the supply of affordable housing also hinders the development of new affordable units. Developments such as ONE Ala Moana atop the Ala Moana Shopping Center, Park Lane on Ala Moana Boulevard and Anaha tower on Auahi Street are marketed to the luxury segment.

The price of most of the units being developed in Kakaako puts them out of the range of affordability for most Hawaii families. Developers are marketing the units to those with over \$1 million to spend on condo units – generally, the luxury and second-home markets and speculators. To the extent units in Kakaako do not act as primary residences, the cost of mortgages and maintenance fees will exert pressure on owners to use the properties to generate income through short-term rentals. Even owners of the affordable units being developed will be under pressure to sell to investors, who are likely to pay a greater premium for properties that can be used to generate income. According to *Pacific Business News*, "Sal Miwa, co-CEO and president of Honolulu-based Myland Hawaii Realty, told PBN that many Japanese buyers bought their condos in Kakaako expecting to rent their properties out short term, even month-to-month when they are not staying at their condos."<sup>64</sup>



## Sample of Condominiums in Planning or Development in Kakaako

Project	Developer	# units	average price
<b>Waiea</b>	Howard Hughes Corp.	171	\$3.7 million (as of 5/12/15)
<b>Anaha</b>	Howard Hughes Corp.	311	\$1.3 million (as of 5/12/15)
<b>Ae'o</b>	Howard Hughes Corp.	466	\$1 million (as of 7/25/15)
<b>Park Lane</b>	BlackSand Capital	215	Range from \$1.19 million to \$28 million
<b>ONE Ala Moana</b>	Howard Hughes, BlackSand Capital, Kobayashi Group, MacNaughton Group	206	\$1.6 million
<b>Waihonua at Kewalo</b>	Alexander & Baldwin, Armstrong Homes Ltd., BlackSand Capital	341	Range from \$375,000 to \$1.9 million
<b>Gateway Towers</b>	Howard Hughes Corp.	236	Range from \$1.5 million to \$8 million
<b>The Collection</b>	Alexander & Baldwin Properties, Inc.	465	\$651,000
<b>Symphony Honolulu</b>	OliverMcMillan	388	Range from \$390,000 to \$3.35 million
<b>400 Keawe St.</b>	Castle & Cooke, Kamehameha Schools	95	Range from \$400,000 to \$750,000
<b>801 South</b>	Downtown Capital, LLC	635	Range from \$253,000 to \$501,300

## Effects On Residential Communities

Some neighborhood groups and boards in Hawai'i have expressed a concern for conserving the character of their communities. According to the Kailua Neighborhood Board:

"The visitor lodging businesses in residential zoning reduce the housing supply for local residents, contribute to escalating rents and housing prices, and negatively impact the social, safety, environmental and cultural residential character of our neighborhoods."<sup>65</sup>

Specific problems cited by residents living near short-term rentals include increased traffic, noise, crime and a revolving door of strangers in what once were primarily residential areas.<sup>66</sup>

Proponents of increased legalization for short-term rentals claim that the existence of such units directly causes tourist money to flow into the communities they are in. One supporter claimed "There were no jobs in Kailua before all of the visitors discovered our vacation rentals."<sup>67</sup> However, one could make the same argument to justify putting factories or strip clubs in residential communities. The argument on its face does not make sense – if visitors spend money at businesses where residents work, regardless of whether those businesses are in



business or residential districts, some of the money flows into the community. It is not clear that the guests staying in vacation rentals would not otherwise come to Hawaii and spend money in our communities if they had to stay in hotels or if there were limits placed on vacation rental proliferation. Beyond this, an HTA study showed that visitors who stay in short-term rental units end up spending less on their day-to-day needs than those who stay in hotels:

“Unfortunately for Hawaii’s coffers, rental and B&B visitors also spend less overall. Last year, visitors who stayed in rental houses told HTA that their total daily spending — including lodging, food and other costs — was \$149.90, or 36 percent less than their average hotel counterpart who spent \$235.50. Likewise, B&B visitors reported they spent \$173.60, or 26 percent less than hotel guests. If these guests had spent as much as the average hotel guest in 2014, it would have added millions more to Hawaii’s economy.”<sup>68</sup>

Among the concerns that have been brought up within discussions on this issue is a loss of community feeling as long-term rentals begin to dwindle. As the organization “Keep it Kailua” testified before City Council:

“Vacation rentals displace ‘permanent’ neighbors from our neighborhoods and neighbors are the glue that welds a community. Without neighbors in our neighborhoods and communities, our social capital suffers. Short-term tenants have little interest in public agencies or in the welfare of the citizenry. They do not participate in neighborhood watch programs, coach paddling, or join the hospital guild. They do not lead a scout troop, volunteer at the library, or keep an eye on an elderly neighbor. Literally they are here today and gone tomorrow.”<sup>69</sup>

Additionally, to the extent the owners of these units are not paying taxes for the rental of their rooms, they are not contributing their fair share to pay for the infrastructure needs they are creating through the operation of their businesses.<sup>70</sup>

## Dangers To Hosts

Hosts who list their properties on Airbnb or VRBO may inadvertently be in violation of their apartment rental agreements, condominium bylaws and declarations, insurance policies, mortgages or zoning laws. Some violations have caused hosts to face fines, eviction,<sup>71</sup> and even blacklisting from future apartment rentals.<sup>72</sup> Given some of the effects short-term rentals have on communities (as described above), landlords and condominium associations have every incentive to enforce their rules.<sup>73</sup> There have been horror stories about homes rented out on Airbnb that were trashed by parties,<sup>74</sup> meth addicts,<sup>75</sup> robbers<sup>76</sup> and orgy participants.<sup>77</sup> Apartments are reported to have been used as brothels.<sup>78</sup> In more than one case, guests even refused to leave a unit after renting it out through the site, and the unit owners actually had to file for eviction to get them to leave.<sup>79</sup>

The problems could reach beyond the illegal rental units themselves: proprietors of illegal vacation units could create liability for entire condominium projects.<sup>80</sup> For instance, one Airbnb host lists a unit at the Hawaiki Tower on 88 Piikoi Street.<sup>81</sup> According to the Developer’s Public Report for Hawaiki Tower, the building contains 417 residential units, 8 commercial units, 2 retail units and no hotel units.<sup>82</sup> The report notes that owners of residential units are only allowed to use them for residential purposes, not commercial purposes. Additionally, the Honolulu Land Use Ordinance defines a “hotel” as follows:



"Hotel" means a building or group of buildings containing lodging and/or dwelling units offering transient accommodations, and a lobby, clerk's desk or counter with 24 hour clerk service, and facilities for registration and keeping of records relating to hotel guests. A hotel may also include accessory uses and services intended primarily for the convenience and benefit of the hotel's guests, such as restaurants, shops, meeting rooms, and/or recreational and entertainment facilities.<sup>83</sup>

Based on a strict interpretation of this language, if the project met two other minimal conditions (namely if the building were to have a 24 hour front desk and if the host had facilities for registration and record-keeping), a single Airbnb listing in this building could mean the **entire building** could be considered a hotel. This would be an illegal nonconforming use, and it could impact insurance costs for the entire building.

## Dangers To Visitors

The lack of regulatory oversight for illegal vacation rentals in Hawai'i means that there is little to no guarantee of visitor safety. Listings online can be advertised by anyone. Although Airbnb could conduct background checks on hosts, it does not.<sup>84</sup> Guests can attempt to protect themselves by only booking with hosts that have submitted to the company's "Verified ID" process, but in some cases the process may not even require hosts to submit a government-issued ID.<sup>85</sup> Guests can also check other users' reviews, but there is no guarantee of these reviews' veracity. The lack of oversight in this regard exposes guests to scams and dangerous situations.

Other guests are not so lucky. A Massachusetts teenager staying in Madrid in July 2015 claims he was sexually assaulted by his host. Shortly after meeting his host and going back to the host's apartment, he says he was locked in and threatened. He texted his mother, who in turn contacted Airbnb to get them to call the authorities. According to the *New York Times*, "When she called Airbnb, its employees would not give her the address and would not call the police. Instead, they gave her a number for the Madrid police and told her to ask the police to call the company for the address. But the number led to a recording in Spanish that kept disconnecting her, she said, and when she repeatedly called back her Airbnb contact, the calls went straight to voice mail."<sup>86</sup> Her son says he was subsequently sexually assaulted. Following the assault, Airbnb changed its policies so that its employees will contact law enforcement in emergency situations.<sup>87</sup>

There have been other reports of Airbnb guests being sexually assaulted<sup>88</sup> by hosts.

While dangerous incidents can and do take place in hotels, most hotels have security staff as well as front-desk workers and other full-time staff members who can monitor and respond to dangerous or suspicious situations. Airbnb units do not necessarily have any employees or anyone else on site. In addition to staff, hotels generally also invest in security measures such as closed-circuit TV cameras and electronic key card entry systems that track who enters a room and when. In a 2014 survey of hotels, 92% of respondents said they use electronic keycards, and 88% reported use surveillance technology.<sup>89</sup>



Problems with vacation rentals for guests are not limited to personal safety. Some users of Airbnb<sup>90</sup> and VRBO<sup>91</sup> have reported getting scammed online – being tricked into sending money to con artists who impersonated hosts by intercepting emails between guests and hosts.

Even for legitimate listings, Airbnb does not guarantee unit quality, or have “brand standards” like branded hotels. The only name hosts need to worry about is their own, which they can customize or change. Units’ addresses are not shown until after booking, so in doing research before making a decision, a potential guest can only estimate where exactly it is that they might be staying. This makes it harder for users to verify the legitimacy, or even the existence, of some rental properties, which they could otherwise do using Google Maps or other tools.

Hotels have rigorous licensing requirements which cover many aspects of their operations and help protect consumer health and safety. For instance, a hotel cannot serve liquor without a liquor license. In order to get and maintain a liquor license, the hotel must ensure safeguards against underage drinking, it must have licensed, trained employees, it must show the ability to deal with dangerous situations, and it must be open to random inspections.

Hotels in Hawaii are also subject to fire department inspections, food and sanitation inspections, boiler inspections, and licensing requirements for spas, massage establishments, swimming pools and elevators. Further, it is often the case that hotels have tested for environmental hazards like asbestos, lead paint, carbon monoxide and mold. Many hotels have made efforts to comply with the Americans with Disabilities Act, providing accessible rooms, parking stalls, pools, etc. While potential guests could question the owners of vacation rentals about compliance with these regulations, there are no guarantees that hosts have complied with these various regulations, or even that they are sufficiently familiar with them to know whether or not they are in compliance.

Beyond all of this, it is also unclear whether any given vacation rental owner has plans for what to do in case of a natural disaster such as a tsunami or a hurricane. At least 85 tsunamis have hit Hawaii in the past 203 years.<sup>92</sup> In contrast, 87% of hotels reported having disaster response/business continuity plans in a 2014 survey.<sup>93</sup>

## Fire Safety

Among other things, illegal vacation rentals may not have been inspected for fire safety. Fire inspections can determine whether or not:

- a building has fire extinguishers in working order in sufficient quantity and type located in accessible places;
- each room has a smoke alarm, and if all smoke alarms are in working order;
- there is a central fire alarm system or not to alert occupants to fires in other parts of the building;
- the building’s fire alarm devices automatically alert the fire department in an emergency;
- there are posted floor diagrams in guest rooms showing exit routes and exits;
- there are lighted exit signs directing guests toward emergency exits;
- furnishings and decorations in each room are fire-resistant;
- any fire hazards exist.
- exit pathways are free from obstructions;
- exits are clearly marked and they are not blocked or locked.

Even units in residential condominiums that have been inspected by the fire department may be unsafe for short-term vacationers unfamiliar with their surroundings.



## Effects On Hospitality Industry

Legitimate hotels and legal short-term rental businesses must comply with tax, zoning, safety, and accessibility laws, as noted above. Staying in compliance with all of these laws costs money. Hotels must also spend money in order to remain compliant with fire, safety, and health codes by installing exit signs, automated sprinkler systems, fire alarm systems, backup power sources, and more.

Hotel businesses must pay payroll taxes, as well as general excise tax and transient accommodation tax, each of which illegal rentals might not be paying or might be underpaying if they even have tax licenses. The property tax rate for hotels in Honolulu is over twice as high as the rate for highly valued non-owner-occupied residences, and more than 3.5 times the rate for other residential properties.<sup>94</sup> These costs add to the price guests must pay to stay in legal units, making it difficult for legitimate businesses to compete with those that can cut costs by operating illegally.

## Effects On Government

Property tax is not the only type of tax the counties and the state get shorted by illegal vacation rentals. They may also be avoiding General Excise Tax (GET) and Transient Accommodations Tax (TAT) payments, as well as registration and licensing fees.

The illegal operation of vacation rentals becomes an even greater concern for the state and county governments when one considers the taxes that such ventures often evade. While some rental unit owners have valid GET and/or TAT tax licenses, their lack of registration with their property's county makes it much more difficult to track how many of illegal vacation rentals are actually paying those taxes. Given the relative lack of enforcement, unit owners do not have much incentive to register, either.

In addition to the state taxes, illegal vacation rentals avoid registration fees currently associated with registering for new/renewed permits in various counties. As mentioned earlier, there are a number of other permits that legitimate tourist lodging providers need to obtain, such as liquor licenses. Permitting fees for all of these licenses bring in revenue to the agencies tasked with monitoring and ensuring visitor and public safety.



## Part III – Recommendations

Changes to existing regulations are necessary to mitigate the negative effects of short-term rentals in Hawai'i. The right regulatory framework can ultimately protect hotel industry jobs, help keep the affordable housing crisis from getting worse, and benefit the community while still allowing a path forward for vacation rentals.

In order for existing regulations to be effective, they need to be supplemented with the following elements (described in further detail below):

- 1) Give the **enforcement agency** the power to
  - a) initiate investigations of potentially illegal vacation rentals;
  - b) use online ads for vacation rentals as prima facie evidence of vacation rental activity;
  - c) issue meaningful fines; and
  - d) take legal action against hosts and rental platforms like Airbnb and VRBO;
- 2) Provide a **private right of legal action** for residents and neighbors affected by illegal operations;
- 3) Require **mandatory investigation** by the enforcement agency upon receiving a complaint about an illegal vacation rental.

### 1. Enforcement Agency Powers

Given the prevalence of illegal vacation rentals in Hawaii, it is clear that current regulations are not working. The biggest weaknesses, however, are not in the regulations themselves, but in the lack of enforcement and the lack of enforceability. Regulators need the power to enforce the laws quickly and proactively, and they need to be able to enforce a clear standard without loopholes.

#### Power to initiate investigations

The enforcement body must be empowered to initiate an investigation of a property or hosting platform's unlawful activities. This will allow for proactive enforcement practices, instead of relying on a complaint driven system. This investigation could include, but is not limited to, an inspection of the subject property and/or a request for any pertinent information from the owner, business entity, or hosting platform, such as leases, business records, or other documents.

#### Power to use advertisements as evidence

The enforcement agency must be able to use online advertisements for vacation rentals as evidence of their operation. Using ads to quickly and efficiently sort out legal rentals from illegal ones is essential for making regulations effective at preventing the proliferation of illegal vacation rentals.

#### Power to issue fines

A strict and escalating system of penalties for lack of compliance is essential. Lack of compliance should subject both owners and hosting platforms to daily fines for advertising or operating illegal vacation rentals.

The enforcement body must also have the power and the resources to bring appropriate legal action against both online hosting platforms and owner/tenant hosts who fail to comply with the law. Appropriate legal action would include both injunctive and monetary relief, including civil penalties and attorneys' fees.

## **2. Private Right of Action**

Legislation should include a provision to create a private right of action to enable anyone impacted (neighbors, tenants, owners, etc.) by illegal short-term rentals to sue the short-term rental operator and online hosting platform, as well as establish fines and the right to collect legal fees.

## **3. Mandatory Investigation Upon Complaint**

The enforcement agency should be transparent and directly answerable to members of the public. If members of the public make a complaint to the enforcement agency about a potentially illegal vacation rental, the agency should have a duty to investigate the complaint and report back to the public on its findings. Members of the public should be able to compel the agency to act if it does not do this.

## **To Bear In Mind**

Affordable housing is the major issue that should be kept in mind when regulating short-term rentals. The rising demand for reasonably priced homes and rental units is a crisis that needs to be addressed immediately, lest working families and their children be forced to move out of the state to survive. Commercial activity and business development should be regulated so as to align with the goal of creating sustainable jobs for Hawai'i's people. Any change in the legal status of short-term rental units should benefit local, working people.



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## Lifeguards deserve it

tait nelson &lt;makeithappincaptain@gmail.com&gt;

Reply all |

Today 1:40 PM

County Clerk

My name is Tait Nelson and am writing you from the island of Oahu. This past winter I've seen and heard of some amazing rescues carried out by the brave lifeguards we have on staff. Countless times while surfing Waimea bay and other spots on the north shore I've seen the lifeguards staying late when it's big to make sure everyone got in safe. Staying late and not getting paid just to ensure our safety, literally putting their life's on the line out of love. One afternoon while surfing 15' plus Waimea bay I endured a couple nasty wipeouts back to back and had broken my leash during the second one but managed to get my board back only to find myself paddling back out for the second time over the huge lefts that come through by jump rock(a place that you do not want to be) as it was getting dark. Faced with having to try to catch another wave in hopefully making it into shore in the impending darkness in super thankful the lifeguards were working late that day and one of the boys running the jet ski was making his last round checking to see everyone made it in okay gave me a lift through the surf onto shore. I may have been okay if I tried to catch one in at dark but if you know anything about surfing Waimea that's not a task you wanna gamble on and I am forever grateful for him being there, he may have very well saved my life that day. So yes I fully support the lifeguards getting paid more than what they do now which is hardly worth their efforts and they're hours need to be extended to serve the people in the water before and after their current shift ends. It's a no brainer if you've had any experience with an ocean emergency. Aloha.

Sent from my iPhone

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2016 MAY 19 PM 1:42

OFFICE OF THE  
COUNTY CLERK



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## BU-14 funding

KK

Kona Kuailani &lt;konanation@gmail.com&gt;

Today 2:38 PM

County Clerk

Reply all |

Inbox

My name is Kona kuailani. I work for the county of Maui. On behalf of the Maui county ocean safety dept. I would like to thank the Maui county budgeting & finacial committee for their support! And please continue to support us. Big things! Big times! Big changes for the better! Aloha and mahalo

Dustin Kona Kuailani

8082981638

Wailuku, HI

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## Unit 14 Ocean Safety Officers' arbitrated raises

AT Aldo Tassara <atassara@pdmaui.com>

Reply all |

Today 2:46 PM

County Clerk

Inbox

Aloha,

Please submit my testimony in support of passing the proposed Maui County budget that includes funding for Unit 14 Ocean Safety Officers' arbitrated raises.

Mahalo nui

Aldo Tassara

Pure Digital Maui

Youtube.com/PureDigitalMaui

Facebook.com/PureDigitalMedia

Instagram.com/PureDigitalMaui

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Testimony

2016 MAY 19 PM 3:46

RP

Rick Patrizio &lt;daturtleonmaui@gmail.com&gt;

Today 3:42 PM

County Clerk

OFFICE OF THE  
COUNTY CLERK

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Maui County Council

May 18, 2016

SUPPORTING PROPOSED MAUI COUNTY BUDGET INCLUDING FUNDS FOR UNIT 14 OCEAN  
SAFETY OFFICERS' ARBITRATED AWARD

Thank you for the opportunity to testify. My name is Rick Patrizio , I work as an Ocean Safety Officer III Lieutenant. I am also the Chair for Unit 14 Law Enforcement & Ocean Safety here on Maui.

I strongly support passing the proposed Maui County operating budget that includes funding for the Hawaii Government Employees Association Unit 14 Ocean Safety Officers arbitrated award.

As you know, Ocean Safety Officers are key to saving lives at our beaches everyday. They are highly trained and skilled at ocean rescues in difficult and treacherous conditions. Ocean Safety Officers are instrumental in educating residents and visitors about the conditions at our beaches. In addition, they have been negotiating as Unit 3; a clerical unit their whole careers.

In 2013 legislation was passed to create the new Bargaining Unit 14 which represents state law enforcement and ocean/water safety officers. Through a long negotiation process and finally through the final and binding arbitration process, Unit 14 was awarded their first contract that repriced the salary schedules to reflect a more fair wage for these job classifications.

We hope you agree that these dedicated men and women deserve the fair award decided by a neutral arbitrator.

We ask you to pass the proposed Maui County budget that includes the Unit 14 arbitration award. Thank you for the opportunity to submit testimony.

Respectfully submitted,  
Rick Patrizio

Reply all | Delete Junk |

## Lifeguard pay

TJ  


Thomas Johnson &lt;eastohu67@gmail.com&gt;

Today 4:01 PM

County Clerk

Reply all |

Inbox

Sent from my iPhone:

Im born and raised in Hawaii and the thought has always been in the back of my head " It makes a lot of sense for lifeguards to be here earlier and later." Now it's happening. I also have friends as lifeguards and found out what their pay is and always thought they deserved a raise. Now I think we need to make that happen.

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2016 MAY 19 PM 4:03  
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Bargaining Unit 14 Arbitration Award 2016 MAY 20 AM 7:37

RD

Randy DeCambra &lt;randyinmaui@yahoo.com&gt;

Thu 6:00 PM

County Clerk

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COUNTY CLERK

Reply all |

Maui County Council

May 19 2016

SUPPORTING PROPOSED MAUI COUNTY BUDGET INCLUDING FUNDS FOR  
UNIT 14 OCEAN SAFETY OFFICERS' ARBITRATED AWARD

Thank you for the opportunity to testify. My name is Randy DeCambra and I strongly support passing the proposed Maui County operating budget that includes funding for the Hawaii Government Employees Association Bargaining Unit 14 Ocean Safety Officers' arbitrated award. Ocean Safety Officers provide a vital community service and the arbitrator's award is well deserved and long overdue. I strongly urge you to pass the proposed Maui County budget that includes the Bargaining Unit 14 arbitration award. Thank you for the opportunity to submit testimony.

Respectfully submitted,

Randy DeCambra

Sent from my iPhone



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BU 14

2016 MAY 20 AM 7:37

BG

Billy Goodwin &lt;bgoodwin17@yahoo.com&gt;

Thu 7:52 PM

County Clerk

OFFICE OF THE  
COUNTY CLERK  
Reply all |

Maui County,

I think it's a shame that we have to ask/beg for you to approve what has been awarded to us by an Independent Arbitrator at the cost of the City. I am in full support of what we have earned, and have proven time and time again what we deserve, and yet we are still under paid. Have you forgotten that we were the only agency in Public Safety that took a 5% pay cut in 2011. While other agencies were still getting pay raises.

Billy Goodwin  
City & County of Honolulu Lifeguard of 23 years

Reply all | Delete Junk |

## Support funding for Ocean Safety

RECEIVED

2016 MAY 20 AM 7:37

BQ

Brad Quinto &lt;qsix68@gmail.com&gt;

Thu 7:37 PM

County Clerk

OFFICE OF THE  
COUNTY CLERK

Reply all |

Aloha, I urge you to continue supporting the funding for Ocean Safety in BU 14. We know it's a hard task to do. But I know with Safety as a priority for all of our visitors and locals alike, that the committee will find a way that make it happen. Mahalo for all of your time and effort to fiscally make this County run efficiently.

Reply all | Delete Junk |

## Unit 14 Ocean Safety

RECEIVED

2016 MAY 20 AM 7:37

OFFICE OF THE  
COUNTY CLERK

JV

Joey Vieira &lt;joeylvieira@gmail.com&gt;

Thu 11:55 PM

County Clerk

Reply all |

As a former lifeguard and broken neck survivor, I humbly ask you to please find the funds necessary to pay and equip these lifeguards at the highest level possible. Don't pinch pennies now only to piss away millions in a law suit from a drowning victim. Thank you. Jv.

Reply all |

Delete Junk |

RECEIVED

Support Unit 14

2016 MAY 20 AM 7:37

K

kaanoiy@aol.com

Today 5:50 AM

County Clerk

OFFICE OF THE  
COUNTY CLERK

Reply all |

Maui County Council  
May 18, 2016

SUPPORTING PROPOSED MAUI COUNTY BUDGET  
INCLUDING FUNDS FOR UNIT 14 OCEAN SAFETY OFFICERS'  
ARBITRATED AWARD

Thank you for the opportunity to testify. My name is Wayde Young, I work as an State Conservation Officer .

I strongly support passing the proposed Maui County operating budget that includes funding for the Hawaii Government Employees Association Unit 14 Ocean Safety Officers' arbitrated award.

As you know, Ocean Safety Officers are key to saving lives at our beaches everyday. They are highly trained and skilled at ocean rescues in difficult and treacherous conditions. Ocean Safety Officers are instrumental in educating residents and visitors about the conditions at our beaches. In addition, they have been underpaid for many years.

In 2013 legislation was passed to create the new Bargaining Unit 14 which represents state law enforcement and ocean/water safety officers. Through a long negotiation process and finally through the final and binding arbitration process, Unit 14 was awarded their first contract that repriced the salary schedules to reflect a more fair wage for these job classifications.

We hope you agree that these dedicated men and women deserve the fair award decided by a neutral arbitrator.

We urge you to pass the proposed Maui County budget that includes the Unit 14 arbitration award. Thank you for the opportunity to submit testimony.

Respectfully submitted,

Wayde Young, Conservation Resource Officer 3, Hawaii Isle



Reply all | Delete Junk |

## Committee Report 16-84 for the fiscal year 2017 budget

LC

Loren Clive &lt;loren.clive@gmail.com&gt;

Today 7:58 AM

County Clerk

Reply all |

I support the use of funds for PV solar panels in affordable housing as long as the electric savings is passed along to the affordable homeowners. One of the biggest obstacles to solar is the high cost of installing the system. If not installed at development, it will likely never be installed.

PV systems result in lower electric bills and as utilities are part of housing costs, it does further the stated mission of the earmarked funds.

Thank you for logging my comment.

Loren Clive, Broker  
808-250-6891

RECEIVED  
2016 MAY 20 AM 8:05  
OFFICE OF THE  
COUNTY CLERK

Reply all |

Delete

Junk |

RECEIVED

Pass bill to fund Unit 14 2016 MAY 20 AM 8:05

OFFICE OF THE  
COUNTY CLERK

haight0mail@gmail.com

Today 7:57 AM

County Clerk

Reply all |

SUPPORTING PROPOSED MAUI COUNTY BUDGET INCLUDING FUNDS FOR  
UNIT 14 OCEAN SAFETY OFFICERS' ARBITRATED AWARD

Thank you for the opportunity to testify. My name is Dylan Haight, I work as an Ocean Safety Officer on Kauai. I strongly support passing the proposed Maui County operating budget that includes funding for the Hawaii Government Employees Association Unit 14 Ocean Safety Officers' arbitrated award.

As you know, Ocean Safety Officers are key to saving lives at our beaches everyday. They are highly trained and skilled at ocean rescues in difficult and treacherous conditions. Ocean Safety Officers are instrumental in educating residents and visitors about the conditions at our beaches. In addition, they have been underpaid for many years.

In 2013 legislation was passed to create the new Bargaining Unit 14 which represents state law enforcement and ocean/water safety officers. Through a long negotiation process and finally through the final and binding arbitration process, Unit 14 was awarded their first contract that repriced the salary schedules to reflect a more fair wage for these job classifications.

We hope you agree that these dedicated men and women deserve the fair award decided by a neutral arbitrator.

We urge you to pass the proposed Maui County budget that includes the Unit 14 arbitration award. Thank you for the opportunity to submit testimony.

Respectfully submitted,

Dylan Haight

Sent from my iPhone

## Testimony against proposed increased CORA permit Fees 2016

Date: May 20, 2016

Dear Council/Committee Members,

This information should be well known to parks dept but might be new to some Councilpersons:

- Higher Fees hurt legitimate Operators.
- Illegal operators are allowed to flourish
- CORA fees do not improve CORA parks,
- CORA fees go to Rangers but, Rangers do not help CORA and they cannot do effective enforcement.

In Years past County asked CORA what they recommended.

CORA asked County for better Enforcement of the Rules (and better restrooms at beaches): Sadly neither happened.

Scofflaws have been ever-present:

Illegal commercial activity in the beach parks and Scofflaws have been ever-present in the ocean recreation industry. Unfortunately even after the creation of the parks ranger program, and lots of money spent the problem still persists to this day, maybe worse than ever. Illegal's are flourishing in the parks due to the absence of effective enforcement. Parks rangers are either unable or unwilling to enforce parks rules.

Illegal operators increase the county liability

Illegal operators increase the county liability by exposing patrons to risk, and not insuring their patrons. They do not pay taxes and do not contribute to the economy, they take jobs away from local people. They compete with legal CORA businesses. They use the parks for commercial gain and operate outside the law, and outside the rules.

Who are these illegal operators? The list includes:

- Ex-CORA instructors are working without Permits.
- Illegal Businesses operated in the parks without abiding by any laws or rules.
- Fake schools with bogus credentials, impersonating legal operators.
- Even some CORA instructors "moonlighting", teaching on the side particularly on Sundays (non-cora days) or their days off.

Why do Illegal operators do this:

Illegal's are motivated by easy money. They avoid paying taxes. Income tax, payroll tax, business taxes etc. Or they do not have legal working status, they do not have infrastructure, rent, or business expenses. They do not have to pay high permit fees, they do not have to pay for expensive insurance. They do this because they is virtually zero probability of getting caught.

Higher CORA Fees and business expenses exacerbate the problem:

Higher Parks Permit Fees hurt legal CORA, and benefits illegal operators. With higher fees running a legitimate CORA business gets more cost prohibitive the incentive to stay underground increases. Also the higher Fees charged to legitimate CORA operators increases their operating costs, and so here is less money to pay higher wages to workers.

How Illegal Businesses form:

Legitimate CORA employees are constantly tempted by the lure of easy cash money. And the temptation is ever-present to start working for illegal operations, or they often set up illegal businesses for themselves. Without enforcement or fear of prosecution there is a dozens of illegal businesses flourishing in parks, unabated, and operating openly. This situation has been ongoing for years.

County's failure to enforce rules has created a Black market for illegal activities in parks:  
Many legit workers leave the legit CORA businesses because payroll taxes, and normal wages are no match for the "easy money" of doing lessons on the "black market".

Illegals lie, cheat, and steal:

Illegal's are cheaters and work outside the system to cheat the community out of tax revenue, and to steal jobs from locals, and take away business from legitimate law abiding schools. They are expert con-men and know the loopholes and exploit the weaknesses of the County system. They lie to parks rangers, and DLNR and they manipulate gullible officials, to stay one step ahead of the law.

Risk of lawsuits could cost millions:

Have no doubt Illegal operators puts the County at risk of millions of dollars in liability lawsuits. And these scofflaws have no accountability, they do not protect their patrons or workers against accidents or injury, that could result in high medical costs, or huge lawsuits that would be undoubtedly be leveled against the county. The County has the deepest pockets so they are going to be left cleaning up the mess left behind by unlawful operations like these.

Illegal operators are present almost every day in every county park:

Parks dept cannot and do not have the ability to catch illegal schools operating in the parks. This is why the CORA working committee asked for more enforcement 15 years ago. The problem still persists. Parks rangers cannot reduce the problem. The rangers do not have the power, or resources to deal with the illegal operators. Parks rangers do not readily respond to calls or follow up on complaints, there is no result.

Illegal Operations on State Land:

There are many illegal operators who think they can avoid Parks Rules by accessing water through state land. I was told by one particular illegal paddle sports (& surf) operator that he was informed by a senior county official (name withheld) that "Parks rules don't apply to them if they go just outside the park". He took this as "permission" to continue his operations with the "apparent blessing" of County. So now this business has been operating openly for years without paying permit fees, taxes, or insurance, like all the legitimate CORA operators are required to do.



Illegal operators jump in and out of parks:

Many illegal operators slip in and out of parks as suits them. They stay under the radar, and exploit the weak enforcement. Even some examples that have been persons abusing the parks for 5+ years are emboldened and brazen and repeatedly tell Rangers to their face that they are "just teaching friends". This has been enough to deter further action from the Parks Rangers. Parks rangers should not be so easily put off. Parks rangers are pushovers and have no credibility as a deterrent or as an actual mechanism of enforcement. They even seem reluctant to warn these people of potential violations.

Parks rangers cannot stop them:

We have been told by parks rangers themselves that they cant stop the illegal operators, they are "afraid that will get sued". They actually told us that.

Parks CORA money not spent on Enforcement:

OCRA money is not spent on CORA expenses, instead going to beach sand for non-cora beaches. If parks rangers need money they should spend the CORA money on admin, and enforcement first. Rangers are mostly concerned with homelessness, not CORA.

Inefficiencies in Enforcement:

Parks rangers rarely even get out of Vehicles. They usually drive through the parks without stopping. They do not make regular contact with the vendors, or ask what is going on. When they do they waste their time dealing with the same legitimate operators, instead of addressing the actual scofflaws. There are many wasted opportunities for the CORA and rangers to work together.

CORA have offered to help rangers.

CORA operators and instructors can easily point out the scofflaws on any given day, but the rangers never ask. Regular CORA operators know who is who at the parks, and know when someone is teaching friends, and when they are teaching illegally. But CORA operators is not able to enforce anything, or even make contact with scofflaws. That is the job of the parks rangers or DLNR. Unfortunately they don't respond to complaints, avoid any actual confrontations, and fail to implement any actual enforcement.

Parks and DLNR asked CORA to be their eyes and Ears:

At our OPACA training Clinic parks and DLNR asked CORA to be their eyes and ears for illegal activity. They said if you give us the info then we will follow up. This was in reference to illegal operators in the parks and on state land. But unfortunately many complaints and reports were filed but not followed up or acted upon.

There will always be the need for enforcement:

There will always be the need for enforcement. Under the CORA or any other system, people will try to cheat the system and go under the radar. We believe that there is currently nothing wrong with the CORA system that couldn't be fixed with proper effective enforcement.

Please take appropriate action:

Please take actions to ensure that there is enforcement of illegal operators in parks. And actually prosecute any lawbreakers. At the very least confront them warn them, and track them. And please ensure that CORA money used for parks enforcement is used efficiently and effectively for this purpose.

Regards,  
David Dorn

## Testimony regarding proposed increased CORA permit Fees 2016

Date: Wednesday, May 20, 2016

Dear Council members/budget committee,

Increasing fees hurts CORA operators, and forces them to compromise safety.

### CORA Permits are "Access Sites", they are not Commodities:

CORA operators need Access Sites to operate safely. Each permit is an access site, and several sites are usually needed for different activities, or changing weather conditions.

### No operator can have more than one same permit:

No operator can have more than one same permit for one site. This is always been in the rules. But they usually need alternate sites, and therefore they have alternate permits. You cannot strip away the alternate sites from safe operators, and resell them as stand alone permits to new businesses. This jeopardizes participant safety, and creates the potential for accidents to the general public as well.

### Ocean Recreation Sports are Weather Dependent.

Unlike motor sports our Ocean Recreation sports are weather dependent, Some use the clean energy of the wind and waves, like for Kite, Wind, Surf, and in some other cases we need to have no wind and no waves like for Example; SCUBA, Snorkel and Kayak. Many of these sports are mutually exclusive and cannot be practiced at the same sites or at the same times.

### Sports By Weather Type:

Some sports are wind dependent, some are wave dependent, some are flat-water dependent, some are no-wind dependent. Operators doing these sports have to wait for the best conditions to present themselves.

### Activities are suspended in bad weather:

Divers can wait for weeks at a time for stormy weather to abate before they can do their sport. Wind sports enthusiasts just had a bad winter with 5 months of no wind. Long spells of no waves, or other unsuitable or unsafe conditions limit the possibilities to practice these outdoor sports. Most responsible operators respect mother nature, and will halt activities in bad weather, but unsafe operators may go out in spite of the warning signs and take risks.

### Site Suitability:

No Site offers all of these attributes at all times. Generally the location's orientation, geography, and bathymetry, as well as use patterns, and regulations, all have a bearing on the site's suitability for each particular sport. Some sites are better for beginners, some others offer better conditions for experts. It may also be necessary to switch to alternate sites depending on time of day, crowds, or changing weather patterns.

#### How One (1) permit became many:

The original CORA permit was like a bicycle license, and was set for \$50. You simply showed the DMV your Business license, and insurance and paid the fee. The Permit was good for all activities and all beach parks and access ways. This is what I started with in 1996. Later on permits had more requirements, and parks dept eventually wanted us to list the sites we used and later on which activities.

#### CORA Permits now issued Per-Site-Per-Activity:

Permits are then issued to us listing all parks and activities we used. Later on the permit fees were split up to make the single permit for each specific park, and the later the fee was charged per park, per activity. Still the same business as before now with multiple permits.

#### CORA operators have the Permits they Need:

CORA operations vary from operator to operator. Some offer a single sport, some offer several alternate sports. And most need to have a few alternate locations. Most CORA operators would not hold any unnecessary permits. In about 2009 the fee went to \$500 per park per activity, and the number of permits was reduced. The current permits in use are in most cases the core permits needed for each school to operate safely.

#### Forcing Operators to Drop alternate sites, reduces operational safety.

Ocean Based Sports need to have access to different sites for different weather conditions. And use alternate sites to avoid overcrowding. This is what CORA operators hold alternate permits for sites. These sites may in some cases be unsuitable as primary sites for any operator, but they are vital for safety of the participants, and the staff or the operator. Forcing operators to drop alternate sites also concentrates usage into a few heavily used locations.

#### Examples of Alternate Sites:

**Waiehu Beach park**, used for surfing 2-4 weeks a year in Mostly in Kona Conditions. This park has No facilities, No parking, no toilets, the whole infrastructure long since fell into the ocean. This site is not suitable as a full time CORA site, but it is vital to provide a safer alternate site for a south shore based surf school.

#### **Memorial Park Kihei,**

This site is our alternate site for our wind sports when Kona conditions are present and also for access to local people who live in Kihei. This site is used as an alternate site only, It is not used much of the time, but it does provide a vital alternate location in certain conditions and for a certain type of user. Therefore this site is essential for safe operations. The public also recreate at this site, there are many user groups at different times. and probably would not tolerate it if it were used as a full-time site anyway.

#### **Ukumehame park:**

This site is one of the most neglected parks on Maui. Facilities there were wiped out in the last tsunami and never restored. It is an eyesore and an embarrassment. However this site is still important as an alternate location for my lessons. It is not safe at all times due



to offshore winds, and exposed reef at low tides. It is important location for certain conditions, and has a vital function in our overall safety plan. A lot of local surfers go here and they would probably not tolerate any increased use at this park above the current level.

#### Sports-Specific Usage:

There are many examples of alternate sites used by different sports, I cannot speak for other operators, but this kind of sports specific information should be sought out and taken into consideration when promulgating rules and setting fees.

#### No One Size Fits All Solution:

A one sized fits all approach will not work for these different activities, As we have in the past, we have had sports-specific working groups working with County to find the best fit solutions for the industry and the wider community.

#### A Small Versatile Operator:

A small diverse watersports school, can teach more than one sport. Example: In the morning teach surfing before it is too windy, and in the afternoons teach windsurfing. These sports are not usually done at the same time. There will be many days when there is no teaching of one or both sports at all. Teaching different sports at alternate sites, gives it the ability to shift and location according to the seasons and the conditions. Many CORA activities cannot be done at the same time, or at the same location.

#### Standards for Safety:

Our school model is designed for safety and efficacy. That is why we utilize alternate sites. We work with the natural elements and not against them, that is why we have the option to relocate sites according to the conditions, this not only prudent it is a necessity. Some of our teaching methodology has become internationally recognized, and we have helped set the standards that now are taught in 40 countries and translated into 4 languages. Any access restrictions will force us to change these standards, and affect our teaching methods in a way that could compromise safety of participants, and our staff.

#### Providing a Service:

Our business is a service business. We do not sell a product, instead we create jobs for instructors, and provide an important service to the community. We provide ocean safety instruction in these ocean activities, and provide the safe supervision of patrons. And we help the county to fulfill the Park's mandate to provide "safe and affordable recreational opportunities for residents and visitors alike."

#### Artificially Restricted Access:

Loss of access means a loss of jobs. When you take away our access sites you restrict the safety options, limiting the days we can teach, and compromise the viability of a ocean sports business. This directly affects the jobs of my instructors and staff that have dedicated themselves and depend on this business. We have worked under CORA system for almost 20 years. And as law-abiding legitimate operators, we have created good jobs,

and made a significant and ongoing contribution to; ocean safety, the community, and our economy.

Lost access to ocean Safety instruction, and reduced recreational opportunities:

Restricting CORA access to suitable sites, will limit the ability for locals and tourists to get Safe Instruction, Safe supervision, and will "Reduce the Recreational opportunities available to the Community".

Please do not change the CORA Permit Fees:

Please understand the need for alternate sites. And the need for more than one permit for smaller versatile operators like us. Radically raising the permit fee will create an Economic Disincentive to run ocean sports instruction in the safest possible way, and at the most suitable available sites. Forcing operators to drop permits for alternate sites is a bad idea. Forced attrition will have many negative consequences to this industry and to the community. So please do not arbitrarily alter the current fee structure as it will force many operators to choose Money over Safety. And such a decision could potentially wipe out this industry and with it, our livelihoods, and our careers.

Regards,  
Suzanne Dorn